USE OF THESES

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THE POLITICAL INDEPENDENCE OF THE
AUSTRALIAN BROADCASTING CORPORATION

Glyn Davis
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A thesis submitted for the degree of Doctor
of Philosophy of the Australian National University
Statement

I hereby declare that this thesis is the result of my independent research and that all authorities and sources which have been used are acknowledged.

Glyn Davis
# THE POLITICAL INDEPENDENCE OF THE ABC

## Table of Contents

- Abstract 2
- Acknowledgements 4
- Glossary 5
- Introduction 7

1 THE ABC'S ENVIRONMENT 21
  - 1.1 PUBLIC SERVICE BROADCASTING 22
  - 1.2 BROADCASTING IN AUSTRALIA 42
  - 1.3 PARLIAMENT AND THE ABC 62
  - 1.4 FUNDING THE ABC 85
  - 1.5 THE ABC'S BUREAUCRATIC ENVIRONMENT 107

2 THE ORGANISATION - ABC DECISION MAKING 126
  - 2.1 THE AUSTRALIAN BROADCASTING CORPORATION ACT 127
  - 2.2 THE STRUCTURE OF THE ORGANISATION 148
  - 2.3 CENTRE-PERIPHERY RELATIONS IN A FEDERAL ABC 165
  - 2.4 THE BOARD OF DIRECTORS 181
  - 2.5 MANAGING THE ORGANISATION 214

3 THE PRODUCTION OF POLITICAL PROGRAMS 253
  - 3.1 THE PRODUCTION OF POLITICAL PROGRAMS 254
  - 3.2 THE POLITICAL CONTROL OF ABC RESOURCES 309

4 THE POLITICAL INDEPENDENCE OF THE ABC 327
  - 4.1 CONCLUSIONS 328

BIBLIOGRAPHY 347
APPENDIX 375
Abstract

The Australian Broadcasting Corporation, created in 1932 and reconstructed in 1983, is a public-funded national broadcasting organisation. It was established to provide a comprehensive, innovative and impartial radio and television service for all Australians.

The ABC is a statutory corporation, intended to be accountable to Parliament for its actions, but independent of the government of the day. Controversy about ABC news and current affairs services, about whether Corporation programs are objective, impartial, balanced and free from political interference, is a hardy perennial of Australian public life. The ABC's public credibility depends on its perceived ability to function without government influence over program content.

The ABC does not operate in isolation. It must negotiate for finance and resources with a federal bureaucracy and conform to standards of accountability set by Parliament. Corporation claims to independence cannot be assessed in absolute terms, but must be viewed within its setting in a world of complex interaction between Parliament, the government and the Corporation.

Within this framework, ABC independence must be viewed in two arenas - the administrative independence of the organisation to control and allocate its resources, and functional independence to make program judgements without outside interference. This dissertation examines both dimensions of the contemporary ABC. Through institutional analysis it seeks to determine whether the ABC in practice enjoys the independence which in theory is guaranteed by its legislative form.

The thesis opens with a discussion of the theoretical assumptions underlying the ABC and a description of the organisation's environment; the origins of the ABC in the ideology of public service broadcasting, its place in the Australian broadcasting system and its relationship with governments and the Public Service. It is argued that the precise objectives and aims of the ABC have never been clear, that a lack of agreed goals makes it difficult for the organisation to win public support against governmental intervention in ABC administration, and that the structure of the Australian broadcasting system enables commercial
media rivals to lobby governments to restrict the ABC to marginal activities.

ABC decision-making is then examined: the influence of the ABC's legislative basis, structure, the role of the Board of Directors, ABC management, the internal allocation of resources and the work environment. The focus is on the relative involvement of directors and managers on ABC output; it is argued that structural impediments limit the influence Directors can exercise over Corporation policy, while confused lines of responsibility, the structure of the organisation and the production process make it difficult for ABC managers to tightly control program output.

With the external and internal context established, the production of ABC news and current affairs programs and the political control of ABC resources are examined. The study concludes with an assessment of whether the rhetoric of an independent but accountable ABC is realised, or whether the Corporation is part of the general machinery of government, with its independence a convenient fiction.
Acknowledgements

It may have only one name on its cover, but a thesis is inevitably the result of an exhausting co-operative effort by friends and strangers to carry the recalcitrant scholar from concept to submission.

This thesis originated with an inspired suggestion from Dr. John Ballard. The years of work which followed would not have ensued without his continuing support and encouragement, and that of Dr. John Warhurst, David Adams and, in particular, of Professor Patrick Weller. Professor Weller has been an ideal supervisor - there with words of encouragement when gloom set in and the whole project seemed impossible, always enthusiastic about discussing the work but never attempting to impose his own point of view.

During research I interviewed hundreds of people in and around the ABC, and I am grateful for all their comments. Three people in particular have been crucial. Ken Chown, an Executive Producer with ABC-TV, first sparked my interest in the media and has remained helpful and interested in my research since. Marius Webb, now ABC Radio's Controller of Human Resources, has always been a source of information and inspiration. ABC Director Richard Boyer's provocative but always considered views about the Corporation forced a re-evaluation of many assumptions and provided valuable insights into ABC operations.

Research in London was assisted by the staff of the Australian Studies Centre and made enjoyable by discussions with Professor Colin Seymour-Ure from the University of Kent at Canterbury, with Sir Michael Quinlan from the Department of Employment and with John Donovan from London Weekend Television.

I also wish to thank my friends and family and, in particular, my father, for reading through each chapter in search of my frequent grammatical lapses and erratic spellings.

Glyn Davis
Canberra May 1985.
Glossary

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ARNA</td>
<td>Australian Association of National Advertisers</td>
</tr>
<tr>
<td>ART</td>
<td>Administrative Appeals Tribunal</td>
</tr>
<tr>
<td>ABC</td>
<td>Australian Broadcasting Commission from July 1932, Australian Broadcasting Corporation from July 1983</td>
</tr>
<tr>
<td>ABCB</td>
<td>Australian Broadcasting Control Board (abolished 1977)</td>
</tr>
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<td>ABT</td>
<td>Australian Broadcasting Tribunal (created 1977)</td>
</tr>
<tr>
<td>ACTU</td>
<td>Australian Council of Trade Unions</td>
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<tr>
<td>ADP</td>
<td>Automatic Data Processing</td>
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<tr>
<td>AJA</td>
<td>Australian Journalists Association</td>
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<td>ALP</td>
<td>Australian Labor Party</td>
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<tr>
<td>AM</td>
<td>Amplitude Modulation radio signals</td>
</tr>
<tr>
<td>ANOP</td>
<td>Australian National Opinion Polls</td>
</tr>
<tr>
<td>AMU</td>
<td>Australian National University</td>
</tr>
<tr>
<td>AUSSAT</td>
<td>Australian communications satellite system</td>
</tr>
<tr>
<td>BAPPH</td>
<td>Brisbane, Adelaide, Perth and Hobart (ABC expression for the smaller Corporation branches)</td>
</tr>
<tr>
<td>BBC</td>
<td>British Broadcasting Corporation</td>
</tr>
<tr>
<td>BoM</td>
<td>ABC Board of Management</td>
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<tr>
<td>FACTS</td>
<td>Federation of Australian Commercial Television Stations</td>
</tr>
<tr>
<td>FARB</td>
<td>Federation of Australian Radio Broadcasters</td>
</tr>
<tr>
<td>FM</td>
<td>Frequency Modulation - stereo radio and television</td>
</tr>
<tr>
<td>ITV</td>
<td>Independent Television (British)</td>
</tr>
<tr>
<td>L/NCP</td>
<td>Liberal/National Country Party coalition</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
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<tr>
<td>LWTP</td>
<td>London Weekend Television</td>
</tr>
<tr>
<td>MP</td>
<td>Member of the House of Representatives</td>
</tr>
<tr>
<td>NBSPC</td>
<td>National Broadcasting Service Planning Committee</td>
</tr>
<tr>
<td>OPM</td>
<td>Free Papua rebel movement</td>
</tr>
<tr>
<td>OTC</td>
<td>Australian Overseas Telecommunications Commission</td>
</tr>
<tr>
<td>PNG</td>
<td>Office and Department of the Postmaster-General</td>
</tr>
<tr>
<td>PNG</td>
<td>Papua New Guinea</td>
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<tr>
<td>DSB</td>
<td>Public Service Board</td>
</tr>
<tr>
<td>RAM</td>
<td>Radio Active Movement - internal ABC faction of the early 1970s</td>
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<tr>
<td>RSL</td>
<td>Returned Sailors', Soldiers' and Airmens' Imperial League of Australia</td>
</tr>
<tr>
<td>SBS</td>
<td>Special Broadcasting Service (established 1978)</td>
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<tr>
<td>UAP</td>
<td>United Australia Party (1931-1944)</td>
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Introduction

The ABC resembles Gulliver in Lilliput, tied to the ground by innumerable threads manufactured by his well-meaning but watchful hosts. The ABC is, however, not likely to be called upon to put out a palace fire; it is more likely to be suspected of starting one.

(Professor Leonie Kramer 1983c: 128)

Controversy about the news and current affairs programs of the Australian Broadcasting Corporation (ABC) is an Australian tradition. No election can be held without both government and opposition accusing the ABC of bias. Every new program earns the Corporation a furious response from a section of the population. All important ABC administrative decisions incite condemnation from some politician or interest group. As Henry Mayer notes:

The content of most of the disputes about the ABC was thin. The way they were conducted was overwhelmingly appalling: partisan on all sides without even a vaguely thought-out idea as to what the ABC might aim at; stale cliches served indeed. When the history of broadcasting in Australia is written, one of the most depressing themes about it will be that, in so far as 'principles' over got discussed, it was in this anti-intellectual, highly distorted and basically ignorant way in which at least some of those principles were raised in the fairly constant pre-occupation with the ABC. (1980: 551)

This thesis takes a critical look at the ABC, an organisation which produces radio and television programs. The ABC is a statutory corporation, designed to be accountable to Parliament but independent of
government. The Corporation is funded by Parliament and charged with responsibility to provide comprehensive information, education and entertainment for all Australians. Discussions about the independence of the ABC, about whether Corporation programs are objective, impartial and balanced are a hardy perennial of Australian public life.

Numerous fundamental problems plague the simple proposition that an agency of the state should be responsible to Parliament but free from government directive. How can an organisation be both accountable and independent? What does 'independent' mean - what are the nature and distinct characteristics of institutional independence? These questions need to be asked of all statutory corporations, and are particularly important for the ABC, which owes its public credibility to its perceived independence. This study aims to clarify the concept of institutional independence for a statutory corporation - that is, the degree to which a statutory corporation is or is not controlled or directed by governments. The thesis explores the potential for ABC independence by assessing whether the organisation can produce news and current affairs programs without government interference.

Functional and Administrative Independence

The ABC does not operate in isolation. It must negotiate for finance and resources with a federal bureaucracy and conform to standards of accountability demanded by Parliament. Corporation claims to independence cannot be assessed in absolute terms but must be viewed within the framework of the parliamentary system which created the ABC and the form and structure which sustains the organisation.

In 1932 Parliament created an institution which was designed - by convention and legislation - to be independent. The ABC was intended to select, prepare and broadcast political news and analysis without government involvement. The ABC would have no editorial voice but be
independent and reliable. "... a disinterested forum for differing shades of opinion" (ABC 1982a:3). When the ABC was reconstituted as a Corporation in 1983 the requirement that its programs should remain independent and objective was included in Corporation legislation.

The politicians who established the ABC sought an institutional form which would ensure the viability of impartiality and independence. Parliament chose the legislative device of the statutory corporation to balance autonomy with the concept of ministerial responsibility. Though independence and accountability appear incompatible, in practice governments view the ABC as comprising two different sectors: the administrative and the functional. The administrative side of the statutory corporation deals with the requisition, allocation and use of resources while the functional dimension generates output. Ministerial responsibility requires monitoring the administrative sector of a statutory corporation while not becoming involved in functional affairs.

By keeping control over the administrative sector of statutory corporations, ministers are able to regulate wages and conditions of staff, ensure compliance with standard bureaucratic auditing practices and generally perform the same monitoring role they keep over their own departments. Ideally, however, ministers will not influence the organisation's use of its resources. This should, in theory, prevent a corporation exploiting its independence to become corrupt or inefficient. Though an arbitrary division, the administrative/functional dichotomy enables politicians to argue that statutory corporations are financially accountable to Parliament but free to pursue their own policy choices.

Nobody seriously claims that the ABC is administratively independent. The ABC's legal status as a statutory corporation gives it few if any institutional safeguards against political or bureaucratic intrusion into internal ABC administration. The Corporation relies on governments for
funds and must continually justify its expenditure to Parliament. The administrative ABC is enmeshed in the federal bureaucracy.

Government control over available resources sets boundaries of operation for the functional sector. Within these parameters, however, there is no necessary nexus between administration and functional independence. One could imagine a government imposing staff ceilings on the ABC, making it difficult to acquire new equipment, cutting the ABC’s budget and restricting the mobility of ABC staff but still having no direct influence over the content of specific ABC programs. Government intervention in ABC administration cannot be equated with government censorship of output. Certainly there is a risk of political directives being tied to an offer of more resources or the threat of a budget squeeze, but there remains a qualitative difference between using the ABC’s budget allocation to limit the boundaries of ABC activity and attempting to influence program decisions. An organisation with little administrative autonomy can remain functionally independent. Political involvement in distributing and monitoring resources does not necessarily mean political input to decisions about functional matters.

It is not asserted that ABC administration can be completely separated from function – one exists to support the other. As the Report of the Dix Committee noted, in a creative organisation such as the ABC, ‘functional’ and ‘administrative’ responsibilities tend to lose their separate meaning because “people actually producing the programs (those performing the function) must engage in the administrative activity needed to produce them” (Vol. 2: 721). Rather, the distinction is introduced because it is a view of institutional arrangements used by ABC Directors, managers and governments to define their own roles and resolve the tension inherent in the conflicting demands of ministerial responsibility and institutional independence. The administration/function dichotomy is not a rigid objective distinction but a useful analytical category with its basis in
political and bureaucratic practice. This thesis examines ABC administrative and functional independence, questions whether administrative issues might influence functional program decisions and assesses whether the institutional independence— which is guaranteed to the statutory corporation in theory — occurs in practice.

Methodology

This thesis follows the tradition of Australian public policy process literature. This is an institutional, empirical approach. It identifies and defines a public organisation, examines its political and legal basis, surveys the bureaucratic and social setting, details the formulation of policy within the organisation and finally asks questions about the functions being performed.

John Warhurst’s Jobs Or Dogma? illustrates this empirical tradition. Warhurst studied the function of the Industries Assistance Commission (IAC), a statutory corporation which produces independent reviews of tariff levels and industry subsidies. IAC reports frequently upset interest groups and contradict government policy; Warhurst was keen to examine whether the original statutory independence had survived “almost continuous public tensions between the government and the IAC” (1982:3).

Warhurst begins his study with a sketch of the political, historical, legal and theoretical basis of the IAC. He describes the social and bureaucratic environment in which the IAC operates, including the options for ‘disciplining’ the organisation available to governments. From political and bureaucratic settings he turns to internal IAC decision-making.

Finally, through a series of case studies, Warhurst is able to draw together the focus of his analysis and ask specific questions about the independence of the IAC in formulating its reports without government direction.

The ABC is also a continually controversial organisation, frequently upsetting individuals, interest groups and governments. Like IAC reports, ABC programs are constantly scrutinised for evidence of bias. The credibility of both organisations rests with their independence. Politicians may have a vested interest in influencing the functions of the IAC and ABC, but each organisation would cease to be of real influence, or serve a useful function, if perceived to be nothing but a government mouthpiece.

The approach used so successfully by Warhurst guides the structure of this institutional study of the ABC. In attempting to illuminate the bureaucratic context and the political pressures upon an organisation, the study moves toward a narrow and limited goal: to assess the potential of the institution to perform the function for which it was established. This seemingly simple goal demands wide-ranging research. As Joan Rydon noted in 1953, any thorough study of the actual 'independence' of the ABC "would need to include an inquiry into the detailed operation of the Commission and its relations with ministers, government departments, other public bodies etc." (1953:115).

The public policy process model is based on empirical methods. But it does not embrace empiricism - the belief that facts are objective, neutral or value-free. Facts do not exist independently of the way we conceptualise a subject matter. A Marxist account of the ABC, for example, would look for facts which identify the media as a hegemonic force supporting capitalism; thus Humphrey McQueen begins with the assumption that the ABC is "just another ideological apparatus of the capitalist state" (1977:94). McQueen, and those who follow Marxist or
structuralist approaches to media studies, are interested in systems rather than the relationship between a specific institution and the state. The ABC's role is seen in such models as servile and unchanging or, at best, as a limited arena for conflicting ideologies.

A public policy process view engages a different perspective and so a different set of facts. It assumes that the relationship between the state and an institution such as the ABC is rarely mechanistic or static. Institutions are perceived as having their own interests to follow, with behaviour mediated by the legal basis of the organisation, its location within the state and its ability to mobilise public support for a concept such as 'independence'. Hence this study focuses on uncovering facts about the day-to-day structural and theoretical relationships between the state, governments and the ABC.

The public policy process approach suggests its own methodology. The analysis relies on descriptive material from secondary sources and on interviews with participants. A question has been posed: does the ABC have functional independence? With empirical research as the tool, analysis is by exposition: evidence is structured by an increasing narrowing of the focus. The changing relationship between the ABC and governments, however, rules out a definitive answer. If we reject the absolute formulations asserted by abstract systems-based models, then all that will be possible are qualified conclusions.

Chapter 1 of the thesis sets out the theoretical assumptions underlying the ABC and describes the organisation's environment: the origins of the

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2A word on footnoring. Throughout this thesis the Harvard reference system is used, so that a quote from page 314 of Ken Inglis' book This Is The ABC (University of Melbourne Press, 1983) - which is the first of several relevant works published by Inglis in that year - will appear in the text as (Inglis 1983a:314), with the full title of the book included in the bibliography. A name appears followed only by a date, such as (Kramer 1984), indicates a quotation from an interview conducted for this thesis. Details of interviews also appear in the bibliography.
ABC in the ideology of public service broadcasting, its place in the Australian broadcasting system and its relationship with governments and bureaucracies. It is argued that the precise objectives and aims of the ABC have never been clear, that a lack of agreed goals makes it difficult for the organisation to win public support against governmental administrative intervention and that the structure of the Australian broadcasting system enables commercial media rivals to lobby governments to restrict the ABC to marginal activities.

Chapter 2 of the thesis examines decision-making within the ABC: its legislative basis, structure, the role of the Board of Directors, ABC management, internal allocation of resources and the work environment. This section focuses on the relative influence of Directors and managers on ABC output, arguing that structural impediments limit the influence Directors can exercise over Corporation policy, while confused lines of responsibility, the structure of the organisation and the production process make it difficult for ABC managers to tightly control program output.

With the external and internal context established, chapter 3 examines the production of ABC news and current affairs programs and the political control of ABC resources. Chapter 4 completes the study by assessing the extent to which the device of the statutory corporation provides the ABC with administrative and/or functional independence.

Limits of this Study

The ABC is a highly visible organisation, an institution about which all Australians have an opinion. Every academic and practitioner with whom this project has been discussed offered a different vision of how to understand the ABC. Many illuminating suggestions have been incorporated: it is not their fault if I have not always listened to good advice. Nevertheless, it quickly became clear that the ABC is a complex organisation open to endless interpretation; no single study could hope to tackle the full range and potential of ABC activity.
I have chosen an institutional approach, believing this provides a basis for future work from many different perspectives. This thesis is limited to studying the effectiveness of the device of a statutory corporation in protecting the ABC from outside political involvement in internal decision-making. By choosing one approach it becomes necessary to draw boundaries which inevitably exclude other fascinating and perhaps equally rewarding perspectives. The ABC is a rich enough topic to inspire myriad specialised researches - an institutional study hopefully will provoke much needed alternative readings of the Corporation and its output.

This work concentrates on the ABC as an organisation - the messenger rather than the message. Most public interest in the ABC, however, centres on accusations of biased programs. While I assume that ABC program-makers reproduce their socialisation by broadcasting the dominant norms and beliefs of our society, and believe that an institutional analysis will be directly relevant to explaining any persistent bias, this study does not systematically engage that controversy. Definitive answers to questions about bias in individual programs will involve different theoretical constructs and require a researcher able to conduct surveys of production staff and undertake extensive content analysis. Such a study is needed, but must remain outside the primary focus of this work.

There is also important work to be done on the role of the ABC in Australian national life. When the former Commission turned 50 in July 1982, there was much discussion of its cultural significance. Journalist Elizabeth Riddell summed up birthday sentiments by saying that "life in Australia without the ABC would be unthinkable" (1983:293). George

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3 Alan Ashbolt argues that the ABC, as a state authority, "is expected to disseminate ideas, opinions, values and attitudes which assume or in some way illustrate the basic benevolence of our social structures, our political processes, our foreign alliances, our economic priorities and our cultural aspirations" (1980:153).
Forrest, looking back on the 1930s in Australia, felt "but for the ABC we would have inhabited a land of perpetual drought" (Inglis 1983a:77). Yet there has been little serious study of the ABC's cultural influence. Again, although an institutional study will throw light on how the organisation determines its cultural offerings, it will require a very different sort of study to do justice to the ABC's contribution to its nation.

An original intention was to compare the ABC with its inspiration, the British Broadcasting Corporation (BBC). While visiting Britain and delving into the British literature, however, significant differences became apparent in the history, structure and purposes of these two public broadcasting organisations. As Mark Armstrong notes:

Discussion of the ABC has been heavily influenced by literature concerning the British Broadcasting Corporation. Many ABC staff see their employer as an Australian BBC. This has produced some distortions, because the ABC has never in fact enjoyed the independence, the prestige or the mystique of the BBC. (1982:39)

On returning to Australia I deleted the comparative material and chose to concentrate on the local institution. However, even if direct comparisons appeared unfruitful, study of the BBC helped to direct research: by providing a different model, it became possible to identify those parts of the ABC that diverged from British practice and thereby demanded explanation. The British experience therefore underpins this study. The British literature and discussions with British academics and broadcasters were crucial in understanding public broadcasting. The origins of the ABC unquestionably lie in an attempt by Parliament to create an antipodean BBC. But ultimately this is not a comparative study because the differences have become so great: comparisons confuse rather than enlighten. In academic discourse, as in broadcasting practice, the BBC is no longer an entirely appropriate model for the ABC.

Finally there are internal limits to a study of the organisation which must
be noted. As this thesis is primarily interested in the ability of the ABC to produce independent news and current affairs programs, little attention is given to ABC involvement in orchestras, merchandising or education. Similarly, Radio Australia is given no special emphasis. Radio Australia is part of the ABC, included in its Charter; decisions about its programming are made by the same processes described in this work. However, the special role of Radio Australia in promoting abroad Australia's foreign policy interests, and its relationship with the Department of Foreign Affairs, raise complex issues which demand separate analysis.

Any contemporary study is eventually overtaken by history. It is always tempting to include details of just one more event or controversy but one must draw the line somewhere, so the substantive part of this study concludes with the federal election of 1 December 1984. By that date ABC enabling legislation was in operation, the Corporation established, its Board appointed, a Managing Director in office, the outline of major structural reforms announced and several political crises and an election survived. Though details will change, I am confident that the basic analysis and conclusions will remain valid while the ABC is a statutory corporation.

Sources

A study in the public policy process tradition naturally begins with the body of literature which nurtured the approach. Hence the numerous references to the extensive Australian literature on statutory corporations and public policy.

In Britain a large, detailed and diverse body of literature is available about organisational aspects of the BBC. Unfortunately, similar literature on the ABC has been slow to emerge. Though Ken Inglis' 1983 history of the Commission is essential reading and fills an important gap, the ABC has been significantly restructured since his book was completed. A
systematic study of the contemporary ABC has yet to be published. Anyone interested in the current ABC affairs remains dependent on personal contacts and media reports for information.

The ABC Board does not release minutes or working papers from its meetings, and Directors are required to respect the confidentiality of their work when interviewed. Nevertheless, internal ABC documents have occasionally found their way to this researcher, though their supply is unsure and their importance difficult to assess. Some documents are quoted in this thesis, as are statements from ABC Directors, managers and staff. Information from ABC annual reports, speeches by ABC Chairmen, articles from Scan (the ABC’s in-house journal), ABC press releases, the newsletter of the ABC Staff Association and press clippings from across the nation thoughtfully compiled and circulated each week by the ABC’s Information Division.

This wealth of printed material has been given life by numerous interviews with those in and around the organisation. In three years of research only one person - a very junior ABC administrative clerk from Head Office - refused to answer “impertinent questions”. Elsewhere access to decision-makers, to production staff, to middle management and to interested observers was no problem. From Brisbane to Melbourne to London I was able to sit in ABC offices and studios, chatting with those who worked there, watching how decisions were made and sometimes dipping into the torrent of paper which floods through the organisation. Throughout these interviews one was struck by the genuine concern for the future of the ABC, the commitment to the ideals of public service broadcasting, and by the affection in which ‘Aunty’ is held by even its harshest critics.

Though the Commission passed into history on 30 June 1983, its experience remains relevant for the contemporary Corporation. This thesis
has drawn on writings about the Commission, including Richard Harding's *Outside Interference* (1979), Clement Sammler's *The ABC - Aunt Sally and Sacred Cow* (1981), numerous articles by Alan Ashbolt, and various government reports which touch upon aspects of the ABC's operations.

The most important of these public documents is *The ABC In Review: National Broadcasting in the 1980s* - the 1981 Report of the Committee of Review of the Australian Broadcasting Commission (usually known as the 'Dix Report', after Committee Chairman Alex Dix). This independent inquiry was announced in Parliament on 23 May, 1979 and its report delivered to the Minister for Communications in May 1981. The Committee and its secretariat studied the ABC, questioned its staff, and received more than 2,200 written submissions from interested people and groups.

The Dix Report was highly critical of many aspects of the ABC, attributing much of the blame for what it judged as a poor performance directly on ABC management. The report urged that the ABC be re-structured and given a charter similar to that of the BBC. It noted that although there was no evidence of the "use of the administrative relationship between the ABC and government bodies to bring influence to bear upon ABC editorial and program matters", changes to the existing arrangements were required to limit "any such possibility arising in the future" (Vol. 2:79). The Dix recommendations became the basis for internal ABC changes and for the 1982 and 1983 legislation which abolished the Commission and replaced it with a Corporation.

The five volumes of the Dix Report continue to provide a useful source of information and opinions about the ABC, though much of the analysis is no longer directly applicable. This thesis draws on Dix material when it provides useful historical insights or can be checked against current practice.
Finally, there is Ken Inglis' long-awaited history of the Commission. This is *The ABC* (1983a). With access to ABC archives and the active support of the Commission, Inglis has produced a scholarly, detailed and thorough history of the organisation. He provides a wealth of information against which to test hypotheses, assess arguments and trace continuity of development. This thesis examines the contemporary ABC and has been careful to avoid reproducing the work of Inglis, but must acknowledge its debt: without being able to draw on a definitive history which so expertly maps out the territory, any organisational study of the ABC would have little authority.
Chapter 1

THE ABC'S ENVIRONMENT
'Independence' must be a judgement about behaviour in a particular context. This thesis poses the question of whether the administrative and functional independence of the ABC are guaranteed by the legislative device of the statutory corporation. To inquire whether the ABC is independent it is necessary first to explore the theoretical basis for statutory authorities working in the broadcasting industry.

The British Parliament of the 1920s nurtured a set of ideas about the relationship between broadcasting and the state. Through rhetoric and practice, these tentative notions developed into a coherent ideology of 'public service broadcasting'. This ideology was imported by Australia in the 1930s, where it gave form to the Australian Broadcasting Commission. In this tradition 'public service broadcasting' implies an organisation supporting the broad consensus of social, moral and cultural values represented in Parliament. Public service broadcasting organisations are committed to normative and politically impartial programming, supported by a legal form which balances responsibility to Parliament with independence from government control. Redefined and clarified through practice, this set of ideas continues to shape the form and activities of the ABC.

The Origins of Public Service Broadcasting

The development of radio was extraordinarily rapid. Only three decades separate Marconi’s tentative experiments in 1895 from the British Parliament legislating for a state monopoly over this new and potentially powerful medium. Rapid technological change required quick policy decisions on complex technical issues; governments had neither the time nor information to think through fully the implications of broadcasting. The 1926 general strike in Britain taught politicians the propaganda potential of radio. The British Parliament had tolerated private ownership of newspapers, but many
politicians now perceived radio as a much more powerful medium, able to profoundly influence the entire community.\(^1\) Control over radio, argued some, "must lie in the hands of the state. The state would, of course, see to it that it was used as an instrument for the public's good" (Burns 1977: 35).

Rather than licence commercial radio stations, British politicians decided to create a public monopoly. The franchise was awarded to the British Broadcasting Company, which in 1927 was nationalised as the British Broadcasting Corporation (BBC). The BBC, funded by compulsory licence fees, was a new type of organisation. It was founded by Royal Charter, an organisational novelty preceeded in Britain only by the Port of London Authority (1908), the Forestry Commission (1919) and accompanied in 1926 by the Central Electricity Board (Inglis 1983a: 17). Unlike newspapers or publishing, broadcasting institutions did not evolve over a long period of time. Parliament created the BBC "fully fledged as a public corporation" which "reflected both the ideological novelties and orthodoxies prevailing in the twenties and thirties" (Windlesham 1980: 18). The device of a corporation enabled Parliament to establish the form, goals and structure of broadcasting without being seen to dictate the content of programs. It gave the BBC independence within bounds fixed by a Charter.

The "organisational novelties" of 1927, embodied in the BBC, remain the basis for public broadcasting services. The assumptions of public service broadcasting developed by the BBC were imported into Australia and built into the ABC in 1932. These assumptions survive, unchallenged, in the ABC legislation of 1983.

\(^1\)Some expectations of the power of radio were very high indeed. In Australia the Anglican Reverend R.B.S. Hammond wrote : "Christ may quite likely return within the next twenty years - maybe ten - and when He does He will probably tell the world by radio...One of the bodily difficulties that surrounded the return of Our Lord has been removed with the discovery of wireless" (quoted in Thomas 1980: 10).
The Political Basis of Public Service Broadcasting

When the establishment and financing of the BBC were first raised in the House of Commons on 15 November 1926, Postmaster-General Sir William Mitchell-Thomson told the House:

While I am prepared to take the responsibility for broad issues of policy, on minor issues and measures of domestic policy and matters of day-to-day control, I want to leave things to the free judgement of the Corporation. (Burns 1977:12)

The Postmaster-General enunciated the founding principle of the BBC: a Corporation with independence in day-to-day management but ultimately responsible to Parliament. The British Parliament would establish and fund the Corporation, giving it a Charter and licence which set out duties and responsibilities. Parliament would monitor the BBC's performance and periodically renew the arrangement. Parliamentary power, however, must not become government prerogative. The BBC would be part of the state but different from the traditional ministerial department: the Corporation would be responsible but not subject to a minister.

The Charter required that the Corporation be neutral, reporting on politics and current affairs without editorial comment. Although not favouring any political party, the BBC would be partisan in its support of the system of Parliamentary government:

The underlying assumption of the BBC is that of liberal democracy. The BBC as an institution is the child of parliamentary democracy. And the whole concept of its establishment assumes its support of that system. (Curran 1979:106)

The 1935 Ullswater Committee in Britain reviewed and endorsed the arrangements which required the BBC to balance responsibility to Parliament with independence of programming from government: "we find that this line of demarcation has been observed in practice, and we are convinced that no better can be found" concluded the Committee Report (Burns 1977:12).
Historians have not been so kind, pointing out that the line between support for Parliament and support for government is sometimes rather fine. Burns quotes an unfortunate letter sent by BBC Director-General John Reith to the British Prime Minister during the 1926 General Strike. Stanley Baldwin was assured of BBC support through an ingenuous argument. "Assuming that the BBC is for the people" wrote Reith "and that the government is for the people, it follows that the BBC must be for the government in this crisis too" (ibid 16-17).

Reith's private admission is curious, for the BBC relies on support from all sides of politics for independent broadcasting. Competing political parties have a vested interest in creating a non-ministerially controlled BBC. As a Corporation official explained:

What chiefly protects the independence of the BBC...is the two-party system and the fear that something disagreeable done by one party when it's in power would lead to the Opposition, when it was in power, doing something even more disagreeable. It's as though the independence of the BBC was maintained by mutual agreement between the two, because of the common interest they have in the kind of neutrality, objectivity or impartiality of the BBC. (ibid 188)

The independence of a public broadcasting organisation in the British tradition is therefore a function of parliamentary government. Parliament gives the BBC a Charter which establishes the framework of professional neutrality. The BBC can reflect the range of views represented in Parliament but in doing so "it has to speak in ways acceptable, ultimately, to the political Establishment" (ibid 189). The BBC could not consistently act as an opposition to the prevailing political, social and moral norms of the nation without the risk of uniting Parliament against it. The Corporation must not only support the system of parliamentary democracy: it must also implicitly support the consensus values of Parliament. As the BBC Handbook states:

Impartiality does not imply an Olympian neutrality or
detachment from those basic moral and constitutional beliefs on which the nation's life is founded. The BBC does not feel obliged for example to appear neutral as between truth and untruth, justice and injustice, freedom and slavery, compassion and cruelty, tolerance and intolerance (including racial intolerance). This is an important reservation, but not one which detracts from the BBC's overall determination to be impartial in its presentation of controversial issues. (1984: 157)

The BBC's statement of impartiality resembles the traditional notion of a 'neutral' public service: the BBC claims it does not chose between political parties or interests but carries out the policy enunciated in its Charter. As long as BBC reporting is perceived to be non-partisan, within the prevailing social, moral and constitutional beliefs, the Corporation will enjoy the support of Parliament.

The political basis of public service broadcasting is thus a corporation independent of government directives but responsible to, reflecting and contained by, the broad consensus of values and ideas evident in Parliament.

The Normative Basis of Public Service Broadcasting

Fearing the ability of radio to influence public opinion, British politicians established a Corporation which believed in a "normative role in the cultural, moral and political life of the country" (Burns 1977: 43). The values of British democracy and the British way of life would be projected by radio. The British listener would be offered a cultured choice of programs by a Corporation dedicated to broadcasting 'in the public interest'.

Normative broadcasting has a moral dimension: it implies that the people are not necessarily the best judges of what they should see or hear. Throughout the papers dealing with the establishment of the BBC runs a common thread: an abhorrence of letting the market dictate broadcasting content: the fear that, if allowed, commercial radio would pander to the
Lowest Common Denominator with material that was trite, frivolous and debasing. Working within the aristocratic tradition of a paternalistic state, British politicians preferred a BBC monopoly with a normative function to enlighten, educate and entertain. John Reith, the first Director-General of the BBC, wrote in 1924 of his belief that radio could be a Good Thing if crude commercial values were kept out:

I think it will be admitted by all that to have exploited so great a scientific invention for the purpose and pursuit of entertainment alone would have been a prostitution of its powers and an insult to the character and intelligence of the people. (quoted in Windlesham 1980: 19)

The Reithian ethos required broadcasting to be a public service with "high standards and a strong sense of responsibility" (BBC Handbook 1983: 139). Although BBC programming has changed since the introduction of commercial competitors, some Reithian ideals survive. The current BBC Director-General, Alasdair Milne, echoed his illustrious predecessor when he told The Guardian that the role of the BBC is to "entertain, educate and inform people properly" (12 April 1984: 17 - his emphasis). One Australian commentator wrote approvingly of the results of the Reithian code:

Reith and his equally high-minded colleagues, as well as the Governors of the Corporation, were unashamedly paternalistic in setting the standards of the BBC in the 1930s and entertained no such irresponsible notion as giving the public what it wanted or what it thought it wanted. Rather, it would get what people of fearless intellectual and moral integrity decided was good for it. (Semmler 1981: 2)

While the BBC retained its monopoly, a small group of people - the Governors and staff of the Corporation - chose the programs to be offered to the British public. Critics claimed that the BBC was imposing one set of moral values on the nation. Lindsay and Harrington note that, in effect, a small minority of the nation had decided that the values expressed in broadcasting "should be congenial to themselves, that they
alone knew what was 'good' for the rest of the public, who could like it or lump it" (Wiener 1981: 109). Paul Johnson describes this paternalistic approach to broadcasting as "about as far removed from a democratic model as it is possible to get" (1983: 21).

The BBC lost its monopoly in 1955 when Britain acquired commercial radio and television. As Asa Briggs argues, however, it was not the introduction of commercial television and radio services but a breakup of consensus in national goals which inevitably changed the traditional Reithian BBC. The Board of Governors could no longer agree on an interpretation of the 'national interest', especially after 1945. "when to economic and political differences were added differences in approaches to 'traditional morality'" (1979b: 18).

While Reithian practices have subsided over time, the notion of essential 'standards' remains part of the package of Ideas known as public service broadcasting. To its role as defender and reflection of Parliament, the BBC added a commitment to embody and propagate Britain's cultural heritage and essential social and moral values. The formality of many BBC programs impressed upon the public and Parliament how solemnly the Corporation regarded its onerous responsibilities. The ideology of public service broadcasting required more than reporting of news and providing entertainment; it demanded a normative role in the national life.

**Australian Public Service Broadcasting**

Mr. W.M. Hughes : Broadcasting will be more potent in reaching out to the distant parts of this great country, and in exerting an influence for good or for evil, than any other agency, including our educational system and our universities.

Mr. Archdale Parkhill : Nonsense!

*(CPD Vol. 133: 959 March 1932)*

When Australian politicians prepared legislation for a national
broadcasting organisation, they adopted the ready-made British ideology of public service broadcasting. Local politicians admired the BBC because it was "already famously good" and "it was British" (Inglis 1983a:17). Parliament "believed that the qualities they admired in the BBC were transferable to an Australian setting" (Thomas 1980:19). In the extreme Anglophile atmosphere of the early 1930s, the notion that what was good for Britain would be good for Australia was propagated by Prime Minister Lyons, who told the first ABC audience that the new organisation should "walk in the footsteps of the BBC and fall in behind Britain" (ibid:19). As Inglis notes

Like the Parliament that established it, the Australian Broadcasting Commission was a thoroughly imperial artefact: the government had decided, as the Postmaster-General told the House, "to follow the British system as closely as Australian conditions will permit". (1983a:19)

The Australian Broadcasting Commission, created in 1932, incorporated the form and ideals of public service broadcasting developed in Britain in the 1920s. When transmission began from studios in Sydney ABC announcers, like their BBC counterparts, wore dinner suits when behind the microphone. Numerous ABC staff were ex-BBC personnel. There were, however, problems transplanting the BBC to Australia. While the BBC enjoyed the undivided loyalty of British listeners, in Australia the ABC had to share the airwaves with a thriving commercial radio sector. Furthermore the independent BBC was based on a Royal Charter, a constitutional device not available to an Australian Parliament. The ABC borrowed the form and programs of the BBC but it did not flourish in the way Parliament might have expected. Ellis Blain, an ABC announcer from 1936, felt that in copying the BBC, which had been designed for a community without choice, "the ABC perpetuated its own isolation" (Inglis 1983a:76). In 1983 the former Commissioner for Community Relations, Al Grassby, in explaining why Australian audiences felt alienated from their national broadcasting organisation, could still say of the ABC "they're
almost a second channel of the BBC" (Sydney Morning Herald 25 June:12). The Australian public have not been enthusiastic about culturally uplifting and educating programs. BBC goals did not translate well to Australian conditions, and the ABC was often left without an audience or purpose.

Commercial Competition

In Britain a BBC monopoly could set standards without fear of competition: it could exclude the "trivial, the irresponsible, the meretricious and the debasing from broadcasting programmes" without effect on ratings (Semmler 1981:1). With a monopoly until 1955, the BBC shaped the tastes of a generation and ensured that eventual competitors played the game by the same rules. The programs of independent commercial television (ITV) reflect the continuing strength of the public service broadcasting ideal in Britain, where the state continues to set content standards for both the public and private sectors.

When Australian politicians embraced the ideology of public service broadcasting by establishing the ABC, they expected the same high standard of program. The ABC, however, did not have exclusive access to the airwaves. From 1932 commercial operators sought to limit its role and audience. Commercial broadcasting, free of statutory requirements to provide "adequate and comprehensive" programs, aimed for large audiences to sell to advertisers. Despite their pious tones at licence renewal hearings, Australian commercial broadcasters did not follow British practice by taking on the responsibilities of public service broadcasting. The commercial media resisted attempts by the state to enforce content rules or minimum standards.

The popularity of commercial broadcasting in Australia has left the ABC in a perpetual dilemma. If it confines itself to cultural and educational programs, the ABC can be certain of low ratings, accusations of elitism
and questions about why Australians should support, through compulsory taxation, a privileged minority of regular ABC viewers and listeners. If, on the other hand, the ABC seeks legitimacy through popularity then it simply repeats the programming of commercial operators.

Because Australian commercial stations are not bound by the same rules of enlightenment and education, the broadcasting system divides into two incompatible sectors: one maximises the audience for profit, the other seeks standards which restrict it to only a small audience. The ideology of public service broadcasting imported from Britain has imposed on the ABC a commitment to normative programming which does not rest comfortably in Australia’s competitive broadcasting system.

The Legislative Basis of the ABC

Though incorporated only in 1927, the BBC adopted the image of an ancient and venerable institution—part of the very framework of democracy. The BBC provided the model for Dominion governments who established the ABC in Australia, the CBC in Canada and the NZBC in New Zealand. These public service broadcasters were empowered to provide a total range of services to the community; they were to be ‘above politics’. Governments might come and go but the public broadcasting organisations would remain.

The BBC has a unique legislative basis. It was established by a Royal Charter which derives its authority not from Parliament but from the King-In-Council. The Charter requires the BBC to acquire a licence from the Secretary of State for the Home Department (BBC Handbook 1984:155). This licence lists the interpretation of the Charter agreed between the Corporation and Parliament. By setting out the BBC’s obligations and freedoms, these documents define the relationship between Parliament and its broadcasting organisation. While a Charter and licence are in operation there is no BBC Act for Parliament to amend, only the Charter and licence to be renewed every 7–10 years.
The Charter gives the Corporation its legal existence and sets out a constitution and objectives. This archaic legal form was chosen to put the broadcasters at a distance from Parliament. The instrument was not available to Australia: "A Dominion government could no more create a Corporation in the name of the Governor-General than it could have his jewellery protected by Beefeaters" (Inglis 1988a: 20). Australian politicians sought to create a similar distance between government and institution through the device of a statutory corporation. This type of organisation enables Parliament to monitor the activities of the public broadcaster and intervene if necessary, while providing the appearance of distance from government necessary to ensure public credibility in the independence of the service. ABC publications often quote Prime Minister John Curtin, who in 1945 affirmed Parliament's intention to give special independence of judgement and action to the national broadcasting instrumentality:

This is inevitably the case because of its highly delicate function in broadcasting at public expense, news statements and discussions which are potent influences on public opinion and attitudes...this particular function calls for an undoubted measure of independence for the controlling body of the national broadcasting instrumentality which cannot be measured by the constitution of other other semi-governmental boards or agencies which do not impinge on the tender and dangerous realms of moral, religious, aesthetic and political values. (Duckmanton 1975: 5-6)

While still a novelty in Britain in the 1920s, statutory corporations had been used in Australia since the 1880s, when Victoria and NSW wanted to establish public ownership but not ministerial control over the railways (Goldring and Wettenhall 1980: 136). Statutory corporations are supposed to "keep politics out of public enterprises and public enterprises out of politics" (Corbett 1965: 188). When seeking a model for an antipodean broadcasting organisation, Australian politicians saw in the statutory corporation, and its embodiment in the BBC, an organisational form which was "familiar and congenial" (Inglis 1980a: 2).
Despite a wide literature, there is no agreed definition of a "statutory corporation" beyond being an organisation created by Act of Parliament. This is because statutory corporations are created by governments on an ad hoc basis. Each is tailored, in form and accountability, to a specific function. In the broadest sense, a statutory corporation is a public owned instrumentality enjoying freedom from the restraints on policy and the administrative structure usually imposed on ministerial departments.\(^2\)

Without an agreed definition, it is difficult to identify indicators which specify when a given statutory authority has ceased to be independent. In his work on aviation statutory corporations, David Corbett examined the question of whether decisions by statutory corporations are made by full-time managers or politicians. Corbett found that, in practice, a public enterprise led by a powerful personality may be immune to government interference (1965:186). Seeking a mode of analysis which could identify patterns rather than concentrate on individuals, Corbett suggested a model of a statutory corporation with an ideal level of autonomy. His definition attempts to isolate essential features which must be present if a particular statutory corporation is to be considered independent. In Corbett's model an autonomous public corporation

\[\ldots\text{is a body corporate, created by statute, having perpetual succession. It can sue or be sued, and can buy, own or sell property in its name. It is directed by a board appointed by a minister or by the Cabinet. Board members have security of tenure, either for a fixed period of several years or during good behaviour, until a fixed retirement date. Members of the board of a truly autonomous public corporation are drawn from outside the ranks of Parliament, Cabinet or the civil service. The autonomous public corporation derives its revenue from the sales of its products or services. It administers its funds for itself, without supervision from the Treasury, and it does not require approval from the Treasury or Parliament before making current or}\]

\(^2\)Golderg and Wettenhall make the point that there has not been a direct legal test of the validity of federal statutory authorities; s.64 of the federal constitution only mentions that governments must act through 'departments' of state headed by ministers (1980:140).
capital expenditures. Capital funds may come to it by parliamentary appropriation or by the sale of bonds, usually guaranteed by the government. It keeps its own accounts and has them audited by independent business auditors. The board of the autonomous public corporation can hire or fire its own employees, from the General Manager down to the lowest-paid worker, without seeking approval from the Civil Service Commission or from anyone in administrative or political authority. An autonomous public corporation reports periodically to a minister and reports annually to Parliament. However, the minister is not empowered, under the incorporating statute, to give any specific directives to the board of the corporation, nor is he required to answer any questions in Parliament about the day-to-day running of the corporation or its internal affairs. Parliament discusses the affairs of the corporation when the annual report is tabled or when amendments to its statute are introduced, but Parliament abstains from intervention in its internal affairs and from detailed continuous scrutiny of its administration. (1965: 187-188)

Although this ideal autonomous statutory corporation is never realised in practice, Corbett clearly sets out the abstract concept of a statutory corporation. The model expresses the minimum requirements for autonomy within the inevitable limitations of law, resources and activity - such criteria "remain important as a frame of reference for an assessment of the degree of operational independence in particular cases" (van Munster 1974: 275).

Though a statutory corporation is intended to have the same independence in policy matters from government direction as a Royal Charter bestows, the ABC has a quite different legal basis from the BBC. Politicians can alter the mandate of the ABC by amending the Australian Broadcasting Corporation Act (1983). Bi-partisan support for an independent ABC remains essential, for Parliament retains the legal power to abandon at any time the convention of non-interference by politicians.

When the ABC was re-constituted as a Corporation in 1983, the changes
Goals were not re-defined nor made explicit through legislation. Though the ABC was given a Charter, this document expressed familiar vague principles. The 1983 Australian Broadcasting Corporation Act affirmed the device of the statutory corporation as the legislative basis of the ABC. The ideals of public service broadcasting - independent, normative programming - were embodied in a Charter which requires the organisation to provide 'innovative and comprehensive programs' which 'contribute to a sense of national identity and inform and entertain' (s.6.1).

The requirement that programs be 'comprehensive' - a word which appears in all ABC legislation since 1932 - reflects the origins of public service broadcasting in a monopoly. Because the original BBC had to cater for the tastes of the entire population, it needed a broad spectrum of programs. In 1932 this provision was imposed on the ABC, despite the Commission operating within a competitive broadcasting system, and is required once again by the 1983 legislation.

Any demand to be 'comprehensive' inevitably produces a series of contradictory goals. The ABC's Charter requires it to 'contribute to a sense of national identity' but also to 'reflect the cultural diversity of the Australian community'; the ABC is required to broadcast programs of 'wide appeal' but also to include 'specialised' programs. The ideology of public service broadcasting forces upon the ABC a wide constituency which it cannot hope to serve fully with a limited number of outlets.

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3 History does repeat! In 1931 the Scullin Labor government introduced an ABC Bill but fell before the legislation reached the Senate. With minor revisions the Bill was reintroduced and passed by the subsequent Lyons UAP government in 1932. In 1982 the Fraser L/HCP government introduced a new ABC Bill. Again the government fell before the legislation reached the Senate and again a subsequent government, the Hawke Labor government, reintroduced and passed the Bill with only minor modification.
While Government and Opposition politicians argued over details of an ABC complaints procedure and certain industrial relations practices in 1982 and 1983, the Parliamentary debates over restructuring the ABC suggested agreement among political parties on the substantive basis of the national broadcasting organisation. Speakers such as Peter Milton, Labor MP for La Trobe, spoke approvingly of Lord Reith's notion that broadcasting should be "an instrument of public good, not a means of handling people or pandering to their wants": Milton warned the ABC that "...giving the public what it apparently wants in the form of trivial pop music or comedy shows is prostituting public broadcasting" (CPD Vol. 133 11 May 1983:489). Other MPs complained of reception problems in their electorates or criticised minor aspects of ABC programming. There were no voices questioning the basis of the ABC in a statutory corporation or asking whether public service broadcasting ideals developed in Britain are appropriate for Australian conditions. There was no debate about fundamentals: Australian politicians implicitly agreed on the form and role for the ABC.

The 1983 legislation once again committed the ABC to a specific type of national, cultural broadcasting. Parliament's expectations were based on an ideology derived from a different cultural setting. Australia has imported an institution without giving it the monopoly which would justify its paternalistic blend of comprehensive and uplifting programming.

Defining Goals

When politicians created the Australian Broadcasting Commission in 1932, they did not write into enabling legislation the precise meaning or aims of 'public service broadcasting'. The expectation of quality programs, services for special interest groups, culture and re-inforcement of community values were conventions, not statutory requirements. Parliament vested responsibility for interpreting its ideals in a Board of part-time Commissioners, drawn from the great and good in society, to act as trustees for the 'national interest'. 
The first Commissioners and their many successors found little community agreement about appropriate goals for an Australian public-funded broadcasting organisation. In a pluralist society there is not one but many ‘national interests’ making demands on the limited resources of the ABC. Except in wartime there are few uncontested ‘national goals’ to guide the Board. Unable to articulate and defend precise community accepted goals, the ABC simply assumed a consensus about what it should do. The first Commissioners fell back on a normative role for the organisation and viewed the ABC as a public institution with a moral obligation to “realise the taste and improve the culture of the community, to spread knowledge, encourage education, and foster the best ideals of our Christian civilisation” (Thomas 1980:18).

The ABC does not use market criteria to determine its program choices, and so lacks an overriding principle to guide resource allocation. Decisions about which services will be offered ultimately rest on value judgements made by the Board or, should it flounder, by ABC management. This has proved an inherently conservative approach to determining priorities. Once a service is provided and attracts an audience it cannot easily be removed, for the ABC finds it difficult to admit that its allocations of taxpayers’ money are quite arbitrary. Because it is required to provide a public service but has no guidelines on how to best serve a diverse community, the ABC remains prone to pressure from organised special interest groups. Such groups often provide the only feedback to ABC activities, leading to complaints orientated programming.

The problem of allocating resources without being able to refer to a priori principles is the perpetual dilemma for ABC decision-makers. The difficulties were neatly illustrated during a controversy over the future of ABC FM radio. The ABC runs a national network of FM stations providing stereo classical and opera music for a loyal audience of about 200 000 listeners. A meeting of ABC managers in July 1984 recommended that the
ABC give more emphasis to attracting a new, younger audience by changing the FM network into a stereo rock music service, based on ABC radio station 2JJJ-FM in Sydney. The Board had to decide between two specialised audiences, neither of which had an over-riding claim on ABC resources. Both classical and rock music devotees argued that the ABC should cater for their interest, each claiming to be inadequately served by existing commercial operators. Each group mobilised community support to lobby Directors and managers. The rhetoric of public service broadcasting was no help for a Board seeking a principle on which to decide between two groups with essentially equal claims. Eventually, after noting the volume of protests from loyal FM classical listeners, the Board decided to retain the classical music service and to seek 'in principle' to establish a separate youth-orientated FM network (The Australian 1 September 1984).

ABC Director Richard Boyer strongly argues that only a statutory authority which has articulated in meaningful terms its aims and objectives and indicated the means to achieve them will have any prospect of maintaining autonomy. ABC aims and objectives need to be subject to public debate so they can develop a significant measure of public support. The advantage of achieving a public consensus about the organisation's goals is that "while they are a discipline on the functionaries of that authority, they are also a discipline on the body politic" (Boyer 1984).

Boyer suggests that ABC goals formulated through public debate would coalesce community opinion about what is expected from the Corporation. "In the absence of a clear philosophy which is public and which enjoys a measure of community consensus the organisation is very much at the mercy of management, public opinion and the body politic" (ibid 1984). He is critical of past ABC managers and Commissioners who waited for governments to provide the ABC with a set of goals or hid behind the 'adequate and comprehensive' formulation to avoid having to justify
priorities or enunciate the principles on which decisions were made. Boyer points out that governments possess neither the ambition nor expertise to interpret Parliament's mandate for the ABC. If governments knew exactly what they wanted from the ABC they could dispense with the Board and write precise instructions, in the form of organisational objectives, into the ABC's legislation. Boyer believes the responsibility rests with the ABC to formulate objectives, report them to Parliament and so stimulate public discussion on the ABC's role. Once Parliament approved such objectives "they would become a discipline on any government denying the ABC adequate resources" (ibid 1984).

Without long-term aims and objectives, short-term goals have become more important for the organisation. Annual reports point out how well the ABC performs certain tasks rather than justify the priorities chosen by the organisation. Professionalism becomes an end in itself. This lack of a larger goal, Boyer suggests, weakens the credibility of the ABC with the community and with governments at budget time - "in the absence of such a philosophy the claim on public funds is so much weaker" (ibid 1984).

From his experience as a member of the ABC's Board of Directors, Boyer has pointed to the problems of decision-making without an agreed set of priorities. However, it may be difficult to provide an uncontested set of aims and objectives for an organisation as complex and diffuse as the ABC. Because the ABC Charter requires the Corporation to be 'comprehensive' and sets out contradictory requirements, it is likely that only 'parenthood' goals can be agreed, and presented in terms not much less vague than those of the Charter itself. This is evident in the Board's first attempt to write coherent goals for the organisation, which were released to the media on 31 August 1984. The Board announced that as Australia's national broadcaster and major cultural organisation, "the central objective of the ABC is to extend the range of ideas and experiences available to Australians and contribute to the development of
values within the community and a sense of national purpose and identity" (ABC 1984b:1). The Board plans in 1985 to write a more detailed ‘philosophy’ for the organisation. Without a statement of purpose from which it can derive goals and policies, there is a risk of ABC goal displacement and continuing uncertainty about role and identity. The advantages of a prepared statement of ABC philosophy, however, must be balanced against the trade-off - a vague Charter provides scope for flexibility and unobtrusive escape from unsuccessful policies.

In practice, when organisations set down absolute priorities these quickly become weapons for use in internal disputes. The announcement of goals can often set off a "complicated power play involving various individuals and groups within and without the organisation" (Etzioni 1964:7-8). Most decision-making in a large institution is about marginal change between activities which compete for resources. In a multi-function organisation no one activity can be given absolute priority for fear it will consume all resources at the expense of other activities. In the eternal battle over allocation, each claimant will appeal to an interpretation of goals which supports its case; if such an interpretation is not possible, a competitor may dispute the legitimacy of the rules.

The reduction of objectives to an emphasis on ‘independence’ as the sole aim of the ABC is not ‘goal displacement’ but, rather, the minimum goal to which all participants can agree. ‘Independence’ is a principle with support from the community: it provides a discipline on the body politic. ‘Independence’ may not be a principle from which one can derive specific resource decisions, but in the absence of more thorough aims and objectives it at least provides a lower order agreement on a goal for the organisation.

For further details, see Appendix 1.
Boyer’s critique of the lack of a ‘rationalist’ approach to decision-making points to the difficulty of defining ‘political interference’ in the absence of agreed minimum services required to fulfill ABC obligations. Since the ABC has not been able to demonstrate that bureaucratic restrictions affect essential public service broadcasting activities, it has not been able to convince the community that administrative impositions are just as much infringements on ABC independence as the occasional and more spectacular attempts by individual politicians to lean on the organisation.

The independence of the ABC derives from its basis in a statutory corporation built upon the notions of public service broadcasting. The Corporation is “predicated on the existence of the present political system and its underlying social and economic order which the ABC is required to sustain” (Semmler 1981: 95). Because the ABC is an institution based on conditions developed in a different context, it continues to find it difficult to define its role or justify normative programming in a competitive market.

The ABC is thus an institution built on ambiguous foundations. Its activities have been defined through use, historical accident and government intervention rather than derived a priori from principles established by Parliament or placed on the political agenda by the board. The ABC is pursuing the BBC’s objective of ‘comprehensive’ public service broadcasting within a very different legislative and competitive environment.
1.2 BROADCASTING IN AUSTRALIA

The ABC does not operate in isolation. It is part of an industry comprising a commercial component funded by advertising revenue and a public sector funded by taxation. These sectors compete for audiences and for government favours. To maintain its position and to press its case for new resources and stations, the ABC must join the fray and become an actor in the political system.

Australian commercial radio and television stations are largely owned by media conglomerates. These companies lobby governments to restrict the role of the public sector and so limit competition. As Windschuttle notes, in their editorials the Australian commercial media defend the concepts of ‘free enterprise’ and the ‘free market’ yet "the great virtues that are claimed for this system – the sovereignity of the consumer, the efficiencies of competition, the market opened to talented new entrants – are nowhere more lacking than in the structure of the media business itself" (1984: 84). Australia has one of the world’s most highly concentrated patterns of media ownership and a licencing system which restricts the opportunities for new competitors.

The public service broadcasting tradition requires the ABC to produce a comprehensive service which informs, educates and entertains. This mandate is challenged by commercial broadcasting operators, who argue that the ABC should "complement rather than compete" by catering for minority interests and leaving mass appeal programming to the private sector. Holroyde has argued:

...Australian broadcasting seems to have reflected the inherent dichotomy in the national identity. The Australian Broadcasting Commission, which was founded very much along the national public service lines that had been developed by Lord Reith in Britain, inevitably echoes its United Kingdom origin and
inspiration. On the other hand, the commercial channels have tended to follow the precedents and the examples set by commercial television in the United States. All the major networks therefore have largely continued to depend upon philosophies of program-making derived from outside Australia. (1980:32)

There are two conflicting ideologies at work within the Australian broadcasting system - one advocating broadcasting for profit, the other as a public service.

The Structure of the Broadcasting System

The Minister for Communications has the power to licence radio and television stations. This right flows from s.51(v) of the Australian Constitution, which gives the Commonwealth government jurisdiction over "...postal, telephonic, telegraphic and other like services". Since the Wireless Telegraphy Act of 1905, Federal governments have regulated the Australian electronic media.

The original Australian broadcasting system developed during the early days of radio. A dual system, it comprised an independent national ABC reporting to Parliament and commercial stations operated privately by licencees for profit. ABC programming was determined by its Commissioners. Commercial stations were free to chose their own programs within requirements relating to ownership, technical, Australian content, advertising and network matters contained in the Broadcasting and Television Act (1942 and amendments).

In 1975 a third broadcasting sector joined the system: public broadcasting. These are radio stations operated by non-profit organisations and licenced to serve a specific community or special interest group. Most are run by volunteers and rely on public subscription for income. Whatever its value to the community, public radio has failed to attract large audiences. It has not proved the drain on commercial
In January 1978 the Liberal/National Country Party (L/NCP) government established a fourth sector, the Special Broadcasting Service (SBS), to provide multi-cultural radio and television services. The SBS was an election promise to the ethnic communities which had complained bitterly about the 'anglo-saxon' bias of ABC programming. To avoid duplication, s.26 of the Australian Broadcasting Corporation Act (1983) requires the ABC to 'have regard' to services provided by SBS, though the same Act also requires the Corporation to take account of the 'multicultural character of the Australian community'.

Despite considerable financial support from Federal governments the SBS has yet to attract a large audience for its radio or television services. In mid-1982 Australian Labor Party (ALP) Senator John Button, as Opposition Spokesman on Communications, attacked the SBS, claiming that multi-cultural television was catering for ethnic communities but for "middle class trendies too lazy to go to art cinemas". Once in government Labor announced an inquiry into the future of the SBS, chaired by F.X. Connor, to report in early 1985. There has been widespread speculation that the service will be merged with the ABC.

In 1984 the Australian broadcasting system comprised:

<table>
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<th>Public</th>
<th>SBS</th>
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</table>

(ABT Annual Report 1983/84:25)

Although the ABC has 84 television stations, the same basic schedule is
seen simultaneously across Australia, with small inserts of local news, current affairs and weather information. There are 126 ABC radio stations, but only 4 basic services. In contrast, though there is some networking of commercial programs, commercial television and radio stations are individually programmed, allowing greater flexibility for local needs.

There are no available accurate figures on the breakdown of audiences between the four broadcasting sectors which make up the Australian broadcasting system. Few people use one service exclusively; most change stations and medium regularly. Industry audience ratings scores, though often quoted, are not particularly useful because they only show the audience at any given time, not the intensity of preference, patterns of use or cumulative audience figures (Dix Vol. 1:3).

Australia is still considering the introduction of pay, subscription and cable television. When the Australian communications satellite, AUSSAT, is launched in 1985, it will give commercial radio and television access to many remote areas which are currently the preserve of the ABC. This new technology will dramatically change the Australian broadcasting system and make Australian ownership and control of local broadcasting services more difficult to define or enforce.

State Agencies Supervising Broadcasting

Federal parliamentary control over the broadcasting system is expressed through legislation and administered by government agencies. Some infringements of broadcasting law can be dealt with directly by these agencies: others must be referred to the Minister for Communications for action.

The Department of Communications monitors and reports to the Minister on the performance of the ABC, SBS and ABT. In particular, the
Department assesses the financial performance of each organisation and makes recommendations to the Minister about budgets and new policy proposals. The Department, however, has no direct jurisdiction over the activities of statutory corporations in the Communications portfolio.

Responsibility for regulating the commercial sector is largely delegated to the Australian Broadcasting Tribunal (ABT). The ABT is an independent statutory authority which distributes and renews licences for commercial radio, television and public broadcasting and advises governments on policy. Members of the Tribunal are appointed by the government.

Figure 1 outlines the relationship between the various agencies, institutions and legislation involved in the broadcasting system. As the diagram indicates, the ABT has no control over ABC licences or programs.

In 1976 the Fraser L/NCP government announced an inquiry into the broadcasting system (known as 'The Green Report', after its author F. Green from the Department of Communications). Since 1948 the commercial sector had been subject to program standards set up by the Australian Broadcasting Control Board (ABCB), but the ABC had not. The principle of ABC independence had always been cited as the reason for not allowing ABC programs to be regulated by another government agency. The commercial sector urged the 1976 inquiry to make the ABC adhere to the same program standards. On the recommendation of the Green Report, the government amended the Broadcasting and Television Act (1942) to abolish the ABCB and replace it with the ABT. The government announced that the ABT would be a 'supra-authority' with responsibility for regulating the whole broadcasting system, including the ABC. It would have the power to grant, renew or revoke licences and to set technical and program requirements for all broadcasters.
Figure 1:2:1 The Australian Broadcasting System

Commonwealth Parliament

Minister for Communications

Department of Communications

Broadcasting and Television Act (1942-1956)

Australian Broadcasting Tribunal

Commercial Television

Public Broadcasters

Australian Broadcasting Corporation Act (1983)

Australian Broadcasting Corporation

Special Broadcasting Service

Commercial Radio
There was no mention, however, of the ABC in the preamble to the amendments, and a drafting error failed to alter s.18.2 of the Broadcasting and Television Act to give the ABT specific statutory power over the ABC. Richard Harding, an ABC Commissioner and professor of law, noticed the mistake while the amendments were still before Parliament but "did not in the circumstances feel it was incumbent upon me to alert the government to the botched manner in which it was carrying out its rushed task, nor did I alert anyone...who might have felt tempted to pass on the warning" (1979:93).

Whether in fact the ABT was ever intended to have jurisdiction over the ABC remains a controversial point and will remain so until Parliament or a court rules on the question. Some ABT lawyers argue that the Tribunal could claim jurisdiction over ABC programs, though they acknowledge that it is "almost inconceivable that the Tribunal would use its power" (Ghee 1984). The Dix Committee noted:

> It is now accepted as a convention, irrespective of any legislative provisions remaining on statute books, that the Commission should not share responsibility with any other body for the content and composition of its programs, in news and current affairs or in any other program sector (Vol. 2:76).

Had the ABT been successfully established as a 'supra-authority' for the whole broadcasting industry, significant powers of decision over ABC program matters would have been vested in a regulatory organisation which is directly and professionally lobbied by commercial organisations keen to advance their own interests. In her final letter to the Minister as ABC chairman, Dame Leonie Kramer noted the Tribunal’s interest in gaining "a discretionary power over the ABC" and warned of the dangers to "the ABC’s absolute independence in matters of programming" which had been "upheld for over 50 years by successive governments" (1983d:2–3).

As Armstrong notes, the ABC has largely – but not entirely – stayed outside the orbit of the ABT:
...On occasions, ABC spokesmen have said that the ABC voluntarily complies with the Broadcasting Tribunal program standards. Legally, national programs are not governed by the program standards system. However, the Film Censorship Board applies the Television Program Standards of the Tribunal, including classifications, to all material imported for television. The ABC originally objected to this application of standards designed for commercial television and to any imposition of censorship by another statutory body, but its objections were not heeded. (1982:113)

The 1983 ABC legislation requires only that the Corporation "shall take account of" program and technical standards set by the ABT (s.6.2i). The Tribunal has not forced the issue of its jurisdiction.

Broadcasting Industry Interest Groups

Legislation which regulates Australian broadcasting does not - and arguably could not - set out precise overall objectives for the system. Instead the law establishes a framework for the competing ideologies of public and private broadcasting.

The tension between the public and private sectors is a clash of objectives. Established in the tradition of public service broadcasting, the ABC expects to provide national, comprehensive and impartial news, information, culture, education and entertainment. The commercial sector, on the other hand, is a business. When the ABC successfully attracts audiences away from commercial radio and television advertising rates, and hence profitability, are affected. ABC Managing Director Geoffrey Whitehead noted the efforts of commercial stations to prevent the ABC's news program, The National, going to air in March 1985.

...television companies from the private sector have tried to shoulder-tackle most of our team to prevent it going beyond the pilot stage...Clearly those private sector interests know it will affect the cost per thousand rate they charge advertisers if their audience drops only one or two per cent. They're very nervous.

They'd be much happier if we were in a tiny ghetto of people clutching their brows and being extremely intellectual and not
broadcasting to the broad mass. (National Times 19 October 1984: 6)

Commercial radio stations have a capable professional lobby organisation in the Federation of Australian Radio Broadcasters (FARB). FARB keenly advocates restricting the number of licences available to commercial operators, and so limiting competition for existing operators. FARB is also a vocal champion of limiting the role of the ABC. It argues that the ABC should provide only 'specialist' and 'minority interest' programs; a FARB submission told the 1976 Green inquiry that "ratings seeking by non-commercial broadcasters is strongly opposed" (Svensson 1976: 133). FARB has not been reticent about its economic self-interest. FARB opposes...

...blatant government competition at enormous public expense...the question is...whether the ABC could make sufficient inroads to undermine the advertising rate structures and thus the viability of the independent broadcasters. This could only be a significant step toward the day when there would be only one voice in the land, the voice of authority. (Foster 1976: 157)

The interests of commercial television are represented by the Federation of Australian Commercial Telecasters (or FACTS, an interesting acronym for an industry which derives its income entirely from advertising). Like FARBM FACTS members have a direct interest in keeping the ABC out of popular programming. FACTS, however, prefers economic arguments to emotional appeals to the doctrine of freedom of the press. FACTS told the 1976 Green inquiry that "since the community ultimately bears the cost of the system, it also has the right to expect it to be structured in an efficient, economic manner" (Svensson 1976: 126). FACTS used this position to argue for a high degree of program specialisation within the system, with the ABC and special interest group broadcasters to "fill the gaps" left by commercial broadcasters.
Economic arguments for 'efficient' allocation of resources across the industry may seem reasonable at a glance but do not stand up to closer inspection, particularly with television.

In a market with direct competition, the technical and allocative efficiency of an industry can be assessed. The performance, for example, of publicly owned Trans Australian Airlines (TAA) against privately owned Ansett Airlines is revealed each year by information about passengers numbers and the profitability of each operator. In broadcasting, however, no one pays directly for the service. The ABC is supported through taxation, not sales, the commercial stations through a loading on consumer goods. Thus the ABC's income - unlike that of TAA - is not directly related to its audience share. Commercial broadcasters could never drive the ABC out of business through normal competition. If the ABC attracts audiences from commercial stations, it potentially costs the commercial operators advertising revenue; but if the reverse happens the ABC may lose prestige and confidence but theoretically it should not suffer financially.

Because the broadcasting sectors do not directly compete for income, 'market failure' occurs in the Australian broadcasting system (Withers 1982:225). Market principles will not operate when there is no direct competition to ensure optimal technical or allocative efficiency. In an industry which is structured by legislation and not subject to market forces between sectors, the only way commercial interests can limit the activities of the ABC is through government intervention.

Commercial television advertises mass consumption goods. 10 out of the top 15 biggest spending television advertising categories are products sold mainly in supermarkets and department stores. As promoters of high consumption goods, commercial television stations can rarely afford to appeal only to minority interest audiences. Commercial television is "in
the business of creating very large audiences who can be exposed to the message of the advertisers” (Windschuttle 1984:63). Because entry to the market is limited—with only two or three commercial television stations in each major city—the tendency is toward parallel programming. Like ice cream vendors on a beach, commercial stations tend to bunch in the most popular segment of the market. With so few stations it is more profitable for each to take a share of the largest single market than to dominate smaller individual markets. Economist Martin Cave looked at the experience of broadcasting systems with a limited number of stations and concluded: “competitive channels will broadcast similar programs designed to appeal to the same mass audience and neglect minority tastes” (1984:7).

From the consumers’ point of view, there is no ‘efficient’ allocation of resources across the broadcasting industry. Commercial stations are not providing a range of program choices. The ABC, with only one station, can not possibly cater for all minority tastes, let alone also fulfill its obligations to produce ‘comprehensive’ programming. The reason for the lack of choice for consumers is not the failure of the ABC to provide an alternative, but the restricted number of commercial operators.

The efficiency sought by FACTS would not occur in television broadcasting even if the role of the ABC were restricted by government intervention. Market forces can produce industry resource efficiency and diversity only when entry to the market is open—a condition not met by the Australian broadcasting system. While there are so few commercial television licences there is no economic incentive for any operator to forsake large markets for small.

The ABC

Unlike its commercial competitors, the ABC must provide a comprehensive service. The Charter requires that the ABC:
provide within Australia innovative and comprehensive radio and television services of a high standard.

provide programs that contribute to a sense of national identity, inform and entertain, and reflect the cultural diversity of the Australian community.

provide radio and television programs of an educational nature.

promote Australia's music, dramatic and other performing arts.

transmit to other countries radio and television programs of news, current affairs, entertainment and cultural enrichment.

(Australian Broadcasting Corporation Act s. 6.1)

In the 1983/84 financial year the ABC employed 6,596 staff and received $292,417,000 from Parliament. These resources were used to provide:

Radio

three networks of medium wave (AM) radio stations, broadcasting across Australia through 95 stations.

a 24 hours a day FM stereo classical music network.

a shortwave radio service for inland Australia via six transmitters.

2JJJ-FM Sydney, broadcasting in stereo 24 hours a day with relays on ABC AM stations from midnight to dawn in Canberra, Newcastle and Wollongong.

Radio Australia

an overseas shortwave service broadcasting 48 hours a day - 24 hours in English and 24 hours in other languages.

Television

a colour television service for one national network through 276 transmitters and translator stations, including programs by Intelsat satellite to communities in outback Australia.
News and Current Affairs

- a nationwide independent news service staffed by ABC journalists in 38 cities and towns across Australia, and covering the world from 12 overseas bases.

- public affairs programs in radio and television attracting national prime-time audiences for analysis of Australian and overseas events and issues.

- direct broadcasts from Federal Parliament of proceedings in the House of Representatives and the Senate.

Music and Concerts

- six symphony orchestras - one in every state capital - employing 428 musicians full-time.

- the ABC Sinfonia of 42 young post-graduate musicians.

- a concert management handling more than 750 orchestral and recital activities a year, with more than 1,000,000 seat attendances.

Education

- educational programs for students - about 40 new program series a year in radio and 275 new educational episodes in television.

- 62 educational books, booklets, cassettes, records and poster sets.

- educational programs for adults and for pre-school children.

Sales

- a merchandising division, ABC Enterprises, marketing recordings, cassettes and books.

- a program sales section marketing ABC-TV programs within Australia and overseas.
- magazines - 24 Hours for the FM service, a fortnightly Radio Guide and general ABC magazines See and Hear and Countdown.

(ABC Annual Report 1982/83: 2. 1983/84: 3)

An ANOP survey conducted for the Committee of Review found that 93% of Australians use the ABC each week (Dix Vol. 3: 198). Scan, the ABC in-house journal, welcomed the ANOP Report which it said "torpedoes the myth that the ABC is an elitist service which few bother to watch or listen to" (ABC 1981b: 1). The survey found a diverse and fluid ABC audience. The ABC's value to the community, concluded the Committee's Report, "is dominated by its importance as a provider of news and information. People who want to know more about the world and want authoritative interpretations of major events turn to the ABC" (Dix Vol. 1: 3).

The ABC is sensitive to commercial criticism of its range of programs. It noted in a submission to the Committee of Inquiry:

If it does not attract a large share of the audience it becomes vulnerable to the charge that the taxpayers are paying for an organisation whose service they do not use. If it seeks to attract a large audience, by emphasis on entertainment in prime listening or viewing hours, it is criticised for competing too actively with the commercial stations and merely duplicating the type of service they provide. (ABC 1980: 25)

Richard Harding has succinctly described the ABC's dilemma as "showbiz or public service?" (1979: 123). In its submission to the 1980 Committee of Inquiry, ABC management attempted to justify the existence of a government-funded public service broadcasting organisation with its distinctive normative programming:

- a parliamentary democracy must have a diversity of viewpoints expressed in its media. This must include a trusted and impartial source of news and information for the community.
the ABC must serve a vast country with a scattered population. It is required to help foster a 'national identity'. The ABC is currently the only national information service.

the ABC must maintain balance between town and country, between local and national allegiances. "The ABC has a specially important role in conveying information about internal and foreign affairs to all parts of the country".

though broadcasting for larger audiences. the ABC cannot "sacrifice minority interests to mass appeal".

there is a need to spread good-will and information abroad through Radio Australia.

the ABC sees itself as having a duty to support and spread the arts in Australia; it sees itself as a vital cultural institution. With such a small population in Australia the ABC helps keep the arts alive by employing orchestras, writers and producers.

the ABC has an educational role to schools and rural communities.

the ABC trains young Australians for the broadcasting industry.

(ABC 1980: v-vi)

The submission notes that the broadcasts by commercial stations are not interrupted by parliamentary sessions: nor are commercial operators required to carry the financial burden of maintaining specialist services and an independent news service. The ABC defends itself as a public service of benefit to all Australians which should not be restricted by the economic interests of others.

Defining A Role for the ABC

In 1980 and 1981 the Committee of Review considered arguments from broadcasting interest groups about the role of the ABC.
In rejecting the FACTS and FARB submissions calling for a limited role for the ABC, the Committee of Review drew on evidence from an ANOP survey, the ABC National Population Study. This survey found that 78% of Australians believe “the ABC should provide programs for the general community rather than for those sections of the community the commercial stations don’t cater for”. Only 15% of listeners and viewers surveyed called for more ‘specialisation’, with little agreement on what sort of specialisation was required (Dix Vol. 2: 45).

The Committee noted the complications of providing ‘specialised’ programs on a single ABC national television network. Programming which ‘fills the gaps’ in a capital city, where there are up to 4 other channels to chose from, might also be the only service available to a rural community. Because only one television signal is broadcast across Australia, the ABC must keep in mind its total audience. To avoid direct competition in the cities, the ABC would need to subdivide its television network, which would require considerable resources and might compromise the ABC’s standing as a national information service.

The Dix Committee concluded its examination of the place of the ABC in the Australian broadcasting system with an essentially traditional view, advocating continuing public service broadcasting. It recommended that:

The ABC should provide a national service for all Australians, balancing as best it can the need to provide quality mass appeal programming with the demand for a wide range of special or minority interest broadcasts. It cannot escape from the former on the grounds that the commercial sector sees itself as fulfilling popular demands nor on the latter because the public broadcasters and the SBS have occupied some of its traditional territory. The ABC can, and should, take account of the capacity of other sectors to assume part of the burden, but it cannot relinquish its broader function. It should continue to develop an emphasis on its news and information service. It should continue to develop a concern for appropriate services to people in country localities and isolated areas where choice of programs is severely limited. It should be sensitive to the need for innovation and enrichment of Australia’s cultural life, through the reflection of minority cultural interests as well as general artistic achievement (Vol. 2: 52).
Commercial organisations expressed dissatisfaction with the Dix definition of the ABC's role. They re-iterated arguments about the need for the broadcasting sector to be considered as an entity. FARB's comment on the Dix report was to claim that "a most relevant and important question is unanswered – what is to be the role of the ABC?" (1981a:3). FARB also attacked the methodology of the ANOP survey which led the Committee to reject the conclusions of the FARB and FACTS submissions. FARB’s 'independent evaluation' of the ANOP survey concluded that "some of the errors...are so blatant and so basic that they must cast serious doubts on the validity of the entire study" (1981b:2).

The specific issue which most disturbed the commercial operators was the Committee's recommendation that the ABC be allowed to accept corporate sponsorship of programs to ease its financial difficulties. The corporate sponsorship case is worth examining in some detail for the insight it gives into structural pressures within the broadcasting system. The case suggests that commercial media organisations lobbied the federal government, in public and private, to reshape the ABC to serve their own interests.

**Corporate Sponsorship**

During the 1920s British newspaper proprietors righteously applauded public ownership of broadcasting – not least because a state monopoly eliminated a potential competitor for advertising revenue. When Australia came to establish its public service broadcasting organisation in 1932, local newspaper owners with radio interests had a vested interest in seeing that Australia did not follow the British example and give the ABC a monopoly over broadcasting. Though the nation was in depression, commercial radio was proving financially lucrative and owners were not inclined to surrender their stations to a state monopoly.

The original Labor government legislation of 1931 to establish the ABC
did not propose eliminating the Australian commercial broadcasting sector: "a measure proposing complete nationalisation would have had no chance of being passed by a Senate in which Labor lacked a majority" (Inglis 1983a: 17). The legislation instead created a dual system of broadcasting: a national ABC funded by primarily by licence fees, though with some sponsored programs, and a commercial broadcasting sector supported entirely by advertisers. When the government fell the Bill was revised and reintroduced by the incoming conservative administration. Newspaper proprietors successfully lobbied the new government for an amendment removing the right of the ABC to accept sponsorship of programs; the clause eventually accepted by the government "conformed almost word for word with one suggested by the Australian Associated Press and the Brisbane Newspaper Company Ltd" (Thomas 1980: 15). When the ABC began broadcasting on the evening of Friday, 1 July 1932, it was expressly prohibited from broadcasting paid announcements.

The issue lay dormant until the 1981 Report of the Committee of Inquiry Into the ABC recommended commercial sponsorship of some ABC television programs. The Committee hoped that business corporations would underwrite the production costs of prestigious and expensive events such as opera broadcasts and major sports coverage. No advertisements would interrupt ABC programs: the name of the sponsor would appear only at the beginning and end of a program. News and current affairs programs were to be excluded (Dix Vol. 1: 15).

Corporate advertising for the ABC was advocated by the Australian Association of National Advertisers (AANA) and vigorously opposed by FACTS and FARB. The members of the AANA wanted access to ABC audiences, which it believed "are in the upper socio-economic group which are themselves significant consumers of goods and services and ideas but more importantly take decisions on behalf of major companies, organisations, associations and governments" (Windschuttle 1984: 62).
The AANA argued that corporate sponsorship would give the ABC a greater diversity of income sources and so more independence. Within guidelines to "safeguard editorial independence and program judgements" the Dix Committee accepted the AANA argument, though noting the risk that sponsors might attempt to influence ABC programming. The Committee supported its decision by pointing to the advantages of the ABC having diverse sources of funding and by quoting its ANOP survey which suggested that half those interviewed favoured sponsorship of ABC programs.

The notion of corporate sponsorship was guardedly accepted by ABC Commissioners as a way of gaining some financial independence during a time of severely restricted funding. ABC Chairman Professor Leonie Kramer rejected the opinion that external sponsorship would endanger the ABC's independence, calling this a "rather dismal" view of corporate intentions (The Australian 11 June 1982: 3).

The notion of corporate sponsorship was opposed by FARB, FACTS, Aunty's Nieces and Nephews (a whimsical pressure group of ABC supporters), and the ALP, which saw corporate underwriting of ABC programs as "the thin edge of the wedge" (Button 1982: 30).

While the government considered its options, FACTS and FARB lobbied strongly against corporate underwriting being permitted for ABC television programs. A FARB report, Sponsorship and the ABC, questioned the ability of any 'strict guidelines' to preserve the independence of the ABC. The FARB report concluded that by promoting its own merchandise "the ABC has already crossed the threshold of commercialism, and should now return to its proper position" (1981a: 16). FARB warned that the Dix report "has not given due regard to the insidious effect of introducing a government-subsidised competitor into the advertising marketplace" (1981a: 14).
Commercial operators found allies in newspapers which were often part of the same media conglomerate. The Age editorial of 20 April 1980 discussed the dilemma posed by the acceptance of corporate underwriting and argued that the ABC would be compromised by such a decision. The Sydney Morning Herald editorial of 1 May 1980 also opposed corporate sponsorship. It began with references to the ABC's "independence and integrity" and ended with a coy warning that "the size of the corporate cake is by no means unlimited".

The Sydney Morning Herald became more emphatic in its epicurean metaphors in an editorial on 7 July 1980: "The size of the corporate cake is not limitless, and such organisations as the Australian Opera and the Adelaide Festival depend on it. They must not suffer because the ABC may want a slice of the cake". The editorial did not mention the extensive media holdings of the Fairfax company, the owners of the Sydney Morning Herald, which also rely on advertising from corporations for revenue (Ashbolt 1980:155).

The controversy ended on 4 July 1982 when the L/NCP government announced that it would not allow corporate underwriting of ABC programs. The Minister for Communications cited the "possible threat to the ABC's independence" as the reason for the decision (Brown 1982:6-7). The announcement was applauded by the ALP: section 25(3) of the ABC legislation subsequently passed by a Labor government prohibits the Corporation from accepting "any payment or other consideration for the broadcasting or televising of any announcement, program or other matter."¹

¹It is by no means certain that the current Board accepts the ban on corporate sponsorship. Media reports suggest that Chairman Ken Myer is keen to acquire corporate funds and has urged the government to amend the ABC's legislation to allow this.
The corporate sponsorship controversy suggests that, as in 1931-32, commercial media owners successfully pursued their economic interest in restricting the role of the ABC. The decision of 4 July 1982 illustrates how government decisions, rather than market forces, determine the boundaries of ABC participation in the Australian broadcasting system.

Summary

Because there is market failure in the broadcasting industry, government intervention defines the roles of the various broadcasting sectors. Hence there will be constant pressure on governments from commercial broadcasters who are keen to keep the ABC out of popular programming. Ashbolt suggests:

It is when the ABC steps out of character and out of line, either by drawing audiences away from the commercials (as on rock station 2JJ) or by disturbing the populace with dangerous thoughts and raffish language, that the lobbyists of FACTS and FARB begin to agitate in Canberra for restraints on the ill-considered expenditure of taxpayers' money and for programming guidelines to which all broadcasting bodies should conform. (1977:256-257)

The ABC refuses to accept the "minority interest" role ascribed to it by organisations representing commercial radio and television. The Corporation argues that its Charter gives it a mandate to provide a comprehensive service with a balance between wide appeal and specialised programs.

Thus the structure of Australia's broadcasting system has institutionalised a strong conflict of interests between a commercial and a public service broadcasting sector. Both sides appeal to governments for support and favours. The system forces ABC to be a political actor. Commercials are lobbying the government - the ABC must do likewise to maintain its position. Because it is part of a system of competing interests, the ABC cannot afford to stand above the fray.
1.3 PARLIAMENT AND THE ABC

The ABC was created by the Australian Commonwealth Parliament. The Corporation owes its continuing existence to a mandate from Parliament and is accountable for the way it exercises that delegated responsibility. Though supporters of the ABC assess the ABC’s position by absolute standards. "Parliaments are the only sovereign entities in our society" (Dix Vol. 2: 72).

In practice the relationship between the ABC and Parliament is mediated by the conventions of statutory corporations; Parliament sets the boundaries of ABC activity, finances the organisation and monitors compliance with the Act but does not become involved in day-to-day management or determine policy for the ABC’s Board of Directors. The ABC is accountable to Parliament directly through annual reports, parliamentary committees and independent reviews and indirectly through a minister, who can be questioned by members and senators and censured if ministerial performance is found lacking.

Traditionally a minister is responsible for all actions taken by departmental officials, although "in practice the doctrine has probably never been literally true" (Weller and Grattan 1980: 13). The relationship between a minister and a statutory corporation is more problematic. Statutory corporations are created precisely because Parliament wants a function kept at a distance from political directive. So ministers whose portfolio includes a statutory corporation must perform a delicate balancing act in keeping the statutory corporation accountable while not interfering in policy.

F.A. Bland has argued that "the statutory government corporation is out of harmony, if not quite inconsistent, with the old theory of parliamentary
government and of ministerial responsibility" (1937:41). Certainly independence and responsibility are not easily reconciled. In practice an implicit distinction is made by responsible ministers between a statutory corporation's administrative and functional independence. Ministers monitor the administrative performance of a corporation to check for compliance with Parliament's legislation without becoming involved in functional issues. Minister for Communications Michael Duffy acknowledged the restriction of his responsibility for the ABC to administrative concerns when he told the Media Council of Australia that "in my period as Minister for Communications I have consistently stated that programming is a matter for the ABC, not the government. I continue to hold this view and so does the government" (April 1984:1).

Accountability Through A Minister

The tension between ministerial responsibility and statutory autonomy is an irresolvable and probably inexhaustible subject. As the Royal Commission On Australian Government Administration noted:

...that a statutory body has been brought into being frequently signifies that a deliberate decision has been taken to place the performance of a particular function outside the political sphere of influence or to relieve a minister and his department of immediate responsibility for it. But the fact that certain powers are reserved to the minister means that it is the Parliament's intention that the abdication of ministerial authority should not be complete and sometimes also that Parliament desires that the activities of the body should be subordinated to broad policies enunciated from time to time by the government...

It has not been easy to devise statutory formulae which adequately express the desired balance of ministerial and agency powers and responsibilities, and there have, no doubt, been occasions when this difficulty has been compounded by the absence of any clear conception of what the minister's role should be (1978:86).

To reconcile the independence of a public service broadcasting corporation with the requirements of responsible government, Lord Reith of the BBC argued for limited ministerial responsibility (Hull 1959:37). He
accepted ministerial powers of appointment to the BBC Board, directives in national emergencies and a right to explanations from the Corporation about its activities. He did not, however, want ministerial involvement in Corporation policy. For Reith the minister’s role should be to ensure that the Corporation fulfills its statutory requirements. Ministerial power should be explicit and restricted, with its exercise accounted for in Parliament. In return Parliament should not hold a minister responsible for program policy decisions made by the Corporation.

Reith’s notion of explicit and limited ministerial involvement in the affairs of public broadcasting statutory authorities is reflected in the legislation establishing the ABC. The Australian Broadcasting Corporation Act (1983) clearly lays out the duties and defines the powers of the Minister of Communications in relation to the Corporation:

- Directors of the Board are appointed by the Governor-General on the Minister’s advice and may only be dismissed for non-attendance at Board meetings, failure to disclose pecuniary interests, bankruptcy, misbehaviour or physical or mental incapacity (s. 18).

- the ABC can only spend money in accordance with estimates of expenditure approved by the Minister (s. 69).

- the ABC cannot spend more than $500,000 on a non-program matter or sign a lease without ministerial approval (s. 70). It cannot provide satellite earth stations without the consent of the Minister (s. 76).

- the Minister has the power to give directives to the Corporation “in the national interest”: such directives and explanations must be tabled in Parliament within 7 days (s. 78).

- an annual report from the Corporation must be submitted to the Minister and Parliament. It must include details of all ministerial directives issued in that year (s. 80).
These provisions require the Minister to oversee the ABC's financial affairs and to approve new projects, but exclude a Minister from involvement in ABC program decisions except in exceptional circumstances when 'the national interest' is at issue. The power of directive enables the Minister to order or ban the broadcasting of a particular program or matter by the ABC, but has been little used since the power was introduced in 1942 legislation:

- in 1943 the Postmaster-General prohibited the broadcasting of certain information about barrier positions in horse races.
- also in 1943 the Postmaster-General required the announcement of new closing times for Post Offices.
- in 1946 the Postmaster-General prohibited talks on sex and venereal disease.
- In 1963 the Postmaster-General directed that an interview with M. Bidault, former Prime Minister of France, not be televised. The direction was withdrawn after four days and the material subsequently transmitted (Dix Vol. 2:76).

Critics of this limited notion of responsibility argue that ABC legislation does not face the problem of informal pressure from Ministers who "refuse to answer at the despatch box for influence they exercise over the dinner table". In particular, it is argued that Ministers avoid the formal exercise of their power of directive by using "informal pressures, the brief telephone call, the off-hand suggestion over lunch or the hint dropped through a third party" (Hull 1959:45,54).

Although no legislation could guarantee the ABC immunity from informal pressure by ministers, accountability to Parliament provides some check. If opposition politicians discovered, from whatever source, that a minister was attempting to informally coerce the ABC, then the forum of Parliament could be used to expose and embarrass the government. The political costs of being caught trying to interfere with ABC independence are high.
There are, however, considerable difficulties which arise when writing limited ministerial responsibility into the enabling act for a statutory corporation. No legislation can guarantee the ABC immunity from informal pressure. Ministers must have sufficient powers to intervene to check failings. They require accurate and frequent information about the ABC's activities. As Hull notes, if ministers use their powers too frequently they defeat the purpose of the corporation device, but if they are not sufficiently aware they abdicate their responsibility to Parliament (1959: 53).

Section 8.2 of the Australian Broadcasting Corporation Act (1983) requires the Board of Directors to 'consider' any government policy referred to it by the Minister. In Lord Windlesham's experience, "ministerial representations are invariably listened to and urgently considered at a senior level within any broadcasting organisation. It would be foolish, as well as short-sighted, to do otherwise." A request to 'consider' policy is, legally speaking, not a directive and Windlesham is quick to point out that the final decision must rest with the Directors of the Corporation (1980: 30). No government policy has yet been referred to the ABC for consideration.

A Minister who believed the ABC Board was not acting in 'the national interest' about a specific program matter could issue a directive, though this would then have to be explained to Parliament. A Board which felt that the government was becoming involved in Corporation matters beyond the Minister's jurisdiction could complain in its annual report in the hope that Parliament will restrain the executive. Should this fail the Board's greatest weapon is resignation to draw public attention to the plight of the Corporation.

The Relationship Between the Minister and the ABC

The Minister for Communications represents the ABC in Parliament, but the relationship between the Minister and the ABC Board has not always
been amicable. When Country Party MP A.G. Cameron was appointed Postmaster-General in 1939 and given jurisdiction over the ABC, he told the ABC Chairman:

I know nothing about broadcasting, and I am not interested in it. If I had my way I would stop all broadcasting. No time for these mechanical things. Don't know anything about music. As for people who give talks and documentaries over the air, if I had my way I would...bring them under the Vermin Act. (Inglis 1983a:69)

When the Chairman replied that the ABC was only performing its statutory duties, Cameron reputedly responded: "Forget your Charter. I don't believe in boards or commissions - I believe in ministerial control" (Armstrong 1982:101).

Not all Ministers have been like Cameron. Former ABC Chairman Sir James Darling found most Ministers keen to keep their distance in a very difficult job, in which they were "inhibited by law from any direct control, but continually harassed by Opposition and colleagues alike, and watched like a lynx by the press" (Inglis 1980a:13). Darling's predecessor, Sir Richard Boyer, believed the Minister should act as a "kind of parliamentary liaison officer. He or she will not be held accountable but will undertake to make inquiries on Parliament's behalf" (Forrest 1983:95). For Chairman Boyer the basic principle governing the operation of statutory authorities "is that they are responsible, not to their ministers like departments, but through their ministers to Parliament" (Wettenhall 1983:20).

The relationship between the ABC Board and the Minister responsible for administration of its Act is thus "a sensitive one. Generalisation about the degree of any interference by the Minister is impossible, since it depends on the personalities involved" (Armstrong 1982:103).

Each new Minister for Communications must informally negotiate with the Board of Directors an understanding about the limits of ministerial
responsibility. While Acting ABC Chairman in the difficult time of transition from the Whitlam to Fraser governments, Earle Hackett found "no Minister ever tried to influence news bulletins or anything while I was Chairman" (1982). Professor Leonie Kramer dealt with five Ministers while a Commissioner and found a "general consensus" amongst Ministers about an appropriate level of involvement in ABC affairs. She "never had any sense that any of these wanted to exercise any influence on major things or on minor things" (1984). As Chairman of the ABC, Kramer believed that she and the Minister should have an understanding of each other's views. She felt that Ministers should be kept informed by the Chairman about major policy decisions before the Board: any ministerial comment would then be relayed to the Board by the time the item in question came up for consideration (1984). This practice is continued by Chairman Ken Myer, who informs the Minister on important Board deliberations: "He should understand and be informed by the Board of what our current policies are. If he doesn't like them well that's unfortunate; he doesn't have any power over policy" (City Extra ABC Radio 23 June 1983). Long-standing ABC practice is to invite occasionally the Minister and other politicians to an exchange of views and lunch with the Board. Through such informal contacts are understandings about a relationship forged.

The evidence from the 1980s suggests that Ministers are keen to keep their distance from ABC policy-making. Minister for Communications Michael Duffy told the National Times: "I always feel that you may be perceived as interfering if you have a close sort of relationship. So I just don't have a lot to do with the ABC. It's better that way" (1 June 1984:8). ABC Chairman Myer described the relationship between himself and the Minister: "I get to see him occasionally. I telephone him to inform him of things he should know about. He takes the view that he should be seen to be at arm's length from the ABC. I think very properly. I think the Prime Minister has taken a similar stance. He doesn't want to
be seen standing over the ABC Board with a big stick" ("Good Weekend", *Sydney Morning Herald* 24 November 1984: 10).

Most routine contact with the government actually occurs through officials of the ABC and the Department of Communications. Budget bids and policy proposals from the ABC are evaluated by the Broadcasting Division, the unit within the Department of Communications responsible for overseeing the ABC, SBS and ABT. The Broadcasting Division does not exist to "think up ABC policy" but to ensure that "policies and estimates presented by the ABC and approved by the Minister are carried out according to those terms" (Smith March 1983). Department officers regularly discuss policy and administrative matters with their counterparts in the ABC bureaucracy.

In her last letter to the Minister as Chairman of the ABC, Professor Leonie Kramer expressed concern about "the increasing inability of the ABC to make its views known direct to the minister of the day, without first having them monitored, refined or interpreted by the Department of Communications" (1983d: 1). Professor Kramer feared that technical advice being sent to the Minister by the ABC was "filtering through the Department of Communications but coming out a different colour" (1984).

Kramer's own experience, however, suggests that the Minister does hear directly from the ABC and is not obliged to accept the advice of the Department of Communications. The involvement of the Department of Communications in ABC affairs is not interventionist but reflects the responsibility of the Minister to remain informed about Corporation activities. Department of Communications monitoring is a further form of accountability, though one often resented by ABC officials, who worry about "the implications for the ABC's independence of the trend toward its increasing administrative involvement with other parts of the government system" (Dix Vol. 2: 77). ABC reports complain about the resources
diverted to comply with constant requests for information; they argue that, even without government bureaucracies becoming involved, "the work of no other public service body is so visible and open to such sustained public scrutiny" (ABC 1980: 28).

**Accountability to Parliament**

As well as the responsibility vested in the Minister for Communications, Parliament directly maintains a "close overview of the performance of the ABC" (ibid: 28). Parliament can discuss the Corporation's activities through debates and committees. It can alter or abolish the ABC through legislation. It receives petitions from the public about ABC activities. Members of Parliament, like other citizens, can directly complain to the Corporation about its policies.

Parliament requires from the ABC an annual report which includes an audit, details of expenditure, particulars of any ministerial directive or request made to the Board, details of any gifts or bequest accepted by the Corporation and information about the activities of ABC Community Affairs Officers. ABC officials can be directed to give evidence to Parliamentary committees or to independent inquiries established by Parliament. The ABC can be opened up to intensive scrutiny from its creator. It can be made to account for its actions.

(i) **Accountability Through Legislation**

The ABC derives its mandate from the *Australian Broadcasting Corporation Act* (1983), drafted by lawyers from the Department of Communications on policies laid down by Cabinet. The legislation establishes the form, overall structure and boundaries of activities of the ABC, and can be amended at any time by Parliament. With the exception of the Charter setting out ABC responsibilities, the legislation can be interpreted and enforced by the courts.
Other legislation passed by Parliament affects the ABC. The Parliamentary Procedures Act, for example, requires the Corporation to broadcast 'live' on radio the proceedings of parliamentary sittings. A joint parliamentary committee determines whether the ABC will broadcast the proceedings of the House of Representatives or the Senate on any given day. Parliamentary broadcasts began on 10 July 1946. The first Member to catch the Speaker's eye during airtime was W.M. Hughes: "the ABC transmitted that night not only his voice but squeaks from his hearing aid" (Inglis 1983a: 129).

Since 1951 the ABC has sought ways to avoid the disruption to its radio schedules caused by sittings of Parliament. Thus far Parliament has refused to give the ABC a separate radio network exclusively for parliamentary broadcasts or allow the ABC to adopt the BBC practice of broadcasting edited highlights and commentary at the end of each sitting day.

The ABC is also subject to general law, including defamation, contempt of court and copyright law. Parliamentary broadcasts, however, are protected by Parliamentary privilege.

The potential for legislative amendment to dramatically alter the ABC was exhibited on 18 November 1976 when the L/NCP government introduced legislation to create the ABT and expand the number of ABC Commissioners. All serving Labor-appointed Commissioners were to be removed from office so that the new ABC Chairman, Sir Henry Bland, could "start again with more complaisant Commissioners" (Harding 1979: 81). Inglis notes that "no government had ever behaved so radically toward the ABC as Fraser's now did when it set about re-writing the law to make a clean sweep of the Commissioners appointed by its predecessor" (1983a: 402).
The removal clause provoked considerable public hostility. A public meeting in Melbourne Town Hall protested against government policies toward the ABC. A meeting of ABC staff in Sydney expressed no confidence in Bland and threatened strike action if the government removed any of the Commissioners before their terms expired. The ABC Staff Association and 'Aunty's Nieces and Nephews' lobbied Cabinet members and government backbenchers. On 3 December 1976, under pressure from the L/NCP backbench, Cabinet dropped the amendment removing the Commissioners. As a compromise Fraser increased the number of Commissioners from 9 to 11. "thus putting the rump of Whitlam-appointed Commissioners well and truly in the minority" (Harding 1979:84). Bland resigned, claiming that the failure to carry out the amendments "abrogated the assurances by the Prime Minister that had persuaded him to accept the position" (Inglis 1983a:404).

Though Fraser failed to remove Labor appointed Commissioners, the events of late 1976 suggest that a government could remake the Corporation through amendments to its legislation. Fraser's failure, however, also demonstrates the depth of bi-partisan support for the ABC within Parliament. Government backbenchers believed that whatever the perceived failings of the ABC they could not condone a move they saw as political interference in Australia's public broadcasting organisation. A consensus among politicians about permissible behaviour by Parliament toward the ABC acted as a check on the executive using this legislation for political ends.

Governments do not need legislation, however, to indicate their displeasure to the ABC. Through implication, via 'off the record' discussions with journalists or by out-and-out attack, politicians attempt to intimidate or persuade the ABC to change its ways. Prime Minister Hawke, for example, made known his irritation with the organisation in the early months of 1984. Hawke had clashed with the ABC during the 1983
election campaign but since then the Labor government had restructured the Commission as a Corporation and appointed a new Board of Directors.

In April 1984 Bob Hawke told a meeting of ALP parliamentarians that the ABC was "running a consistent line against the government". His comments were supported by Foreign Minister Bill Hayden but opposed by Michael Duffy, the Minister for Communications (Melbourne Herald, 2 May).

Alarmed by press reports of the criticism, ABC Managing Director Geoffrey Whitehead sought an urgent meeting with the Prime Minister. The three weeks between request and meeting saw public clashes between Hawke and the ABC. The Prime Minister objected to a segment on the current affairs television program Nationwide, which featured a puppet resembling Hawke reading the ABC news in the manner he thought it should be presented. In an interview on the ABC radio program Morning Extra, the Prime Minister accused Corporation journalists of taking a "particular line on the uranium issue" (The Age, 28 April 1984). The ABC was defended by Deputy Opposition Leader John Howard, who felt that the Corporation "...has shown courage, it has shown independence and, frankly, that is what the Prime Minister cannot really abide" (Scan, 14 May 1984:10).

On Friday 27 April, ABC Managing Director Geoffrey Whitehead met Prime Minister Hawke, senior advisor Peter Barron and the Minister for Communications. Hawke spelled out his grievances, which the National Times claimed were largely prompted by Peter Barron, "who makes no secret of his low regard for the ABC". The National Times reported that Whitehead anticipated Barron's attack and "let Barron know, in no uncertain terms, that he would not be stood over" (4 May 1984). Laurie Oakes, writing in The Age, reported that Whitehead and Hawke had discussed "proposals for special procedures to allow politicians to make complaints to the Corporation".
According to Oakes, the 75 minute meeting considered the establishment of a direct line of communication between the Prime Minister's press secretary and the Deputy Managing Director of the ABC (2 May 1984). This prompted the Leader of the Opposition, Andrew Peacock, to ask in Parliament whether such a 'hot line' for complaints by the Prime Minister would be established. Mr. Hawke labelled the report "absolute nonsense" and assured the House that there were "no arrangements for such a form of censorship and nor would there be in the future". The Prime Minister then described his meeting with the ABC Managing Director: "Mr Whitehead set out in extensive form the future plans - financial, administrative and conceptual - for the ABC" (Canberra Times 3 May 1984).

Though Hawke made public his anger with the ABC, there is no evidence that he sought to influence ABC program decisions or use administrative constraints to 'punish' the organisation. The Melbourne Herald reported that the Prime Minister's dissatisfaction "lies more with the present Board and competence of the organisation than with any conscious attempts at bias" (2 May 1984). Some months later Hawke told Parliament: "there seems to be increasing and widespread view that the performance of the ABC is less than excellent in all its aspects. That is a view (with) which I as a private citizen agree, but I emphasise that I believe without question there is an irreplaceable role for the ABC" (Canberra Times 14 September 1984: 1). The Prime Minister may have been speaking as a 'private citizen' but the message was clear: the ABC can only ignore his continuing displeasure at its peril.

(ii) Parliamentary Questions and Debates

In Britain the Speaker of the House of Commons usually refuses to allow questions about BBC programs. If the question deals with administration
or technical matters. Home Secretaries preface their answer with "the broadcasting authorities tell me that...". The Home Secretary may promise to inform the Corporation of the MP's question, but will usually remind the House that responsibility for decisions on the content of broadcasting properly belongs with the BBC (Windlesham 1980: 24-25).

In New Zealand the Speaker has refused to allow questions on the day-to-day policy of the New Zealand Broadcasting Corporation (NZBC) because "the matters which are the subject of this question are not the responsibility of the Minister. They have nothing to do with him. They are solely the responsibility of the Corporation" (Gregory 1978: 429).

In Australia there are no parliamentary standing orders particular to questions about the ABC: the Speaker must rule whether a question on the ABC can be directed to a minister as a "matter of administration for which he is responsible" (House of Representatives Standing Order no. 142). Australian parliamentary practice is to allow questions on ABC policy, with ministers responding by disclaiming responsibility for the particular decision then reading a statement prepared by the Corporation.

Inglis describes Parliamentary questions about the ABC during the 1940s and 1950s:

Chifley and Menzies were both disposed to leave the ABC alone. Each made it a practice to answer questions in Parliament by reminding members that the ABC was an independent body. Chifley saying so with his usual inscrutable flatness. Menzies sometimes with an air of cool disdain towards the organisation and indeed towards the whole business of broadcasting. But neither could curb his followers, and had the ABC been required to report informal attempts at browbeating by ministers and other members, they would have taken up a fair amount of space in annual reports. (1983a: 188-189)

The pattern has not significantly changed. Members still use questions as a chance to criticise the Corporation rather than from interest in the
answer. Ministers and Prime Ministers still respond by re-iterating the formula of ABC independence. In 1983, for example, 9 questions about the ABC and its Chairman were asked and answered in the House of Representatives and 7 questions in the Senate. No questions referring to the ABC were disallowed.

The Minister for Communications and the Prime Minister both answered questions about personal conversations with ABC Chairman Professor Leonie Kramer over matters of ABC programming. On 15 September 1983 Mr. Duffy refused to comment on ABC expenditure on news services, saying "the matter of what services will be employed by the Australian Broadcasting Corporation...is one for the ABC" (CPD Vol. 132:890). On 18 October 1983 Mr. Duffy denied charges that he had directed the ABC to give more prominence to the ALP in its reports of a Queensland state election. Mr. Duffy asserted that "there has been no interference by this government in the Board's decisions" and then relayed information from the Corporation about the ABC election coverage.

In the Senate John Button, as the Minister representing the Minister for Communications, used a question on 4 May 1983 to criticise the Chairman of the ABC, Professor Leonie Kramer, for not always acting "without fear or favour" (CPD Vol. s98:149). Such strong criticism of the Chairman of a statutory corporation by a senior government minister is rare indeed and Senator Button earned much adverse public comment for his attack. His comments were (inconclusively) debated by the Senate on 10 May 1983, when Button claimed that his remarks had been a personal observation from a member of a government "committed to the independence of the ABC and to procedures which will ensure greater independence than it ever had in the past" (Vol s98:311-312).

A subsequent exchange of letters revealed that Senator Button and the then Leader of the Opposition, Bob Hawke, had complained to Professor
Kramer several times during the 1983 election campaign about 'biased items' on the morning radio program AM. Kramer had investigated the complaints and found them not justified. This, apparently, was the cause of the Senator's outburst. Inglis observed that Hawke and Button

...argue that there's nothing wrong or improper about this. They argue that they're simply exercising rights which anyone can legitimately exercise in complaining of what seemed to them misrepresentation. Clearly such complaints come with a special force when they come from people who are actually, or potentially, in charge of the ABC's budget. (Doubletake ABC Radio 1983d)

The dispute between Button and the ABC Chairman did the new Labor government little credit. Media reaction was critical of Button's personal attacks on Professor Kramer; On 7 May The Australian asserted in its editorial

Senator Button's accusation that the Commission's Chairman, Professor Dame Leonie Kramer has not performed her duties without showing fear or favour is a clear allegation of political bias... (yet) the instance he cites scarcely justifies the magnitude of his charge that she has failed to act "without fear or favour".

Senator Button has said she is conducting her private Falklands War. Apparently he finds her position analogous to that of Mrs. Thatcher. In one sense, he is right. Britain, like Dame Leonie, was the victim of an unexpected attack. If she is the Mrs. Thatcher in this exchange, one may wonder whether Senator Button casts himself in the role of General Galtieri.

Several of Button's colleagues, including his protege Michael Duffy, distanced themselves from Button's comments. Embarrassed by media criticism, the government moved to end the row. Button claimed to have been "misunderstood" and denied he had been attempting to pressure the ABC. Professor Kramer, he explained, was "a most diligent Chairman of the ABC in a most difficult time for that organisation" (The Canberra Times 7 May 1983:1), though he also expressed regret that a "conservative radical" such as Kramer had ever been appointed Chairman of the ABC (The Australian 9 May 1983:2).
At the time of the controversy the Australian Broadcasting Corporation Bill (1983) was before Parliament. Its passage on 26 May dissolved the Commission and required the appointment of a new Board of Directors. Newspaper editorials urged the government to reappoint Kramer as a public gesture of its commitment to the independence and integrity of the ABC. The government would only say that all present Commissioners were to be considered. When the first ABC Board was announced on 9 June 1983, no serving Commissioner was retained.

In 1983, as in other years, the Minister for Communications answered questions about his own dealings with the ABC but avoiding taking responsibility for policy decisions taken by the Board of Directors of the ABC. Government and Opposition members and senators used parliamentary questions to criticise aspects of ABC program and administrative policy. Some of these complaints originated outside Parliament: Doug Anthony’s question in the House of Representatives of 19 October, for example, put forward the opinions of the state government of Queensland.

If members or senators want to discuss the ABC they can move a motion that Parliament consider the issue as a ‘matter of national importance’. Such debates are infrequent, rarely occurring more than once in a year. Nevertheless, when they do occur, these debates give parliamentarians scope to express wide-ranging opinions about the performance and policies of the Corporation. At the very least parliamentary questions and discussion enable the ABC to gauge the feelings of its creator and paymaster.

(iii) Parliamentary Committees

ABC compliance with the financial and legislative wishes of Parliament is
reviewed by parliamentary committees, including at times the Public Accounts Committee, the House of Representatives Standing Committee On Expenditure, the Public Works Committee, the Legislative and General Purpose Committees of the Senate and ad hoc committees to investigate specific issues.

Around May each year senior ABC managers travel to Canberra from Head Office in Sydney to appear as witnesses before a Senate Estimates Committee. Although Estimates Committees tend to be unsystematic in their approach, the ABC still has to account in some detail for the way it has spent the taxpayers' money. In April 1982, for example, Senate Estimates Committee B asked ABC managers questions about staffing levels, transmitter equipment, co-productions with the BBC, reductions in production of local drama and documentaries, salary levels, the cost of orchestras, ABC cars, internal mail, legal expenses, accommodation, transport and capital works (Record of Proceedings 19 April 1982).

The ABC takes such Committees very seriously, usually sending its Managing Director, Director of Finance, Corporate Controller of Finance, Controller of Radio Distribution and Services, Federal Director of Television Transmissions and Controller of Engineering to Canberra so that the ABC delegation can field the wide range of Senators' questions. Senators use Estimates Committees to delve into policy as well as administrative concerns: it is one of the few opportunities senators have to directly question ABC officials about their activities:

Senator Cook: Mr Chairman, this is a fascinating, maybe even

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1 The Public Accounts Committee was about to begin examining ABC finances in 1979—"because we'd heard they were in a mess" said Committee member Senator George Georges—but dropped the intended inquiry when the Dix Committee of Review was announced (Talberg 1983).
riveting line of questioning, but is it relevant to the Estimates? Is there not some responsibility upon senators asking questions to relate them to the estimates?

Chairman (Senator Robert Ray): The difficulty that we face with Estimates committees, or any committees in this Parliament, is that if we operate simply under the Standing Orders and do not take into account the traditions of a committee we may be ruled out of order. There is an extra problem with the ABC in the way its Estimates are laid out... they seem to be in an overwhelming mass... I thought Mr Whitehead was answering questions very competently.

Senator Cook: I did not question that. I just asked about the line of questioning.

Chairman: I am as concerned as you are that at times we are drifting off. But, nevertheless, we are talking about government expenditure of over $300m. If we do not explore these matters here there is really no other place to do so.

(Senate Estimates Committee A, 4 September 1984: 156.)

Press reports of a 30 May 1984 hearing of the Senate Estimates Committee described the ABC Managing Director being "carpeted" by angry senators. The Committee complained that an earlier failure by ABC executives to explain structural changes to the Committee showed that "the Corporation had neglected its accountability to Parliament" (Sydney Morning Herald 31 May 1984: 1).

Committees educate politicians about the ABC and its activities, though detailed knowledge is usually absent from parliamentary debates on ABC matters. Despite these committees, there are few if any recognised experts on the ABC within the Commonwealth Parliament. This contrasts with the House of Commons, where backbenchers can make their reputation by becoming highly knowledgeable about specific areas of state activity, such as the BBC. Forrest has argued that most Australian parliamentarians have neither the time nor competence to understand the operations of statutory authorities:
... notwithstanding executive-imposed limits on the time and resources available for scrutiny of statutory authorities, few parliamentarians have shown themselves to be particularly interested in the topic anyway. Explanations of this abound but I favour an adaptation of what R.H. Tawney called the 'Tadpole Theory', which suggests that most backbenchers are like tadpoles - reasonably content to remain largely uncritical of their murky pond on the grounds that eventually at least some of them will become frogs. In other words the 'professional backbencher' is a rare commodity indeed. Consequently interest in the authorities's affairs has been at best sporadic with occasional enthusiasms fired by the potential for party political gain and followed by a hasty dropping of the topic as other issues crop up. (1983: 86).

Parliament's committee structure is important, even if most committee deliberations on the ABC are less than expert. Committees give parliamentarians a reason, method and resources to investigate the activities of the ABC. Corporation accountability to Parliament can be extended through new committees if the normal channels appear insufficient. The work of parliamentary committees - or the threat of their establishment - remain a continuous if unsystematic monitor of the ABC's performance.

(iv) Independent Reviews

As well as committees, Parliament can establish independent reviews, with terms of reference to include any or all aspects of the ABC. Parliament can supply an independent inquiry, such as the Dix Committee of Review established in 1979, with a large secretariat and substantial resources and require the ABC to make available any documents or personnel.

Chairman Professor Kramer complained of the large number of such reviews - 32 public inquiries into aspects of the ABC since 1972 - saying, "accountability could hardly be taken further than that" (1983c: 127). Frequent inquiries, she complained, are unsettling for the organisation and
make unreasonable demands on limited ABC resources. The Dix Committee, however, did not feel that such reviews might compromise the ABC’s independence. The Committee recommended that “there be a public inquiry into the policies, practices and performance of the ABC at regular intervals of seven years” (Vol. 2: 9).

The findings of the Dix Report contributed to the restructuring of the ABC as a Corporation in 1983. While compiling the Report, Committee Chairman Alex Dix made it clear that he intended to produce a document which would be accepted and implemented by the then L/NCP government. He told the National Times in March 1980:

We have to be practical about this. There is no point us coming up with a copious and well-argued report if it is politically unacceptable in either a public or government sense. We’d be wasting our time if we said the ABC should be carved up on the one hand, or that its budget should be tripled on the other. I’m not anxious to produce a report that has no chance of being implemented. (Edgar 1981: 11)

Patricia Edgar has pointed to the danger of an independent review being structured to justify government interference in the ABC. Noting with disquiet the comments of Alex Dix, Edgar argues that the purpose of an inquiry should not be to produce a “politically acceptable” report but to “produce a document which examines all the issues with integrity and makes recommendations consistent with the roles and needs it has explored without consideration of the current political climate. Reports remain on the record, governments change” (ibid: 11). Noting speculation that Dix hoped to be made Managing Director of the new ABC, The Bulletin commented: “Any one reading the first two volumes of his report...could be forgiven for viewing it as a million-dollar job application” (23 June 1981: 21). Morgan in the New Journalist also concluded that Dix had produced a “politically acceptable” rather than an objective report. Morgan claimed that the Report ignored the damage done to the ABC by the financial restrictions of the Fraser years: “the government excluded
consideration of the impacts of its policies from the Inquiry’s terms of reference and Dix obliged by dutifully conducting proceedings in a vacuum which ensured that there would be no embarrassment for his political masters” (1982:39).

Reviews such as the Committee of Inquiry supply Parliament with detailed information about the performance of the ABC. Inquiries force the Corporation to justify its activities and usually provide governments with options for altering the ABC through legislation. Independent inquiries are a powerful instrument of parliamentary accountability; it would be disturbing if their integrity were uncertain.

Summary

ABC independence derives from a mandate from Parliament. That mandate can be altered or withdrawn at any time. Through its Minister, through direct checks by committees and inquiries and through monitoring by the Department of Communications, the ABC remains accountable to Parliament for its actions. It is accountability mediated by the tradition of the statutory corporation, which defends the ABC’s right to some autonomy in policy-making by distinguishing between administrative involvement and functional independence.

The evidence of recent years suggests that Ministers and the ABC Board have reached accommodation about an acceptable level of ministerial involvement in the affairs of the organisation. Such accords are essential as Windlesham point out, if ministers frequently intervene they not only erode “the responsibility of the people appointed on their own recommendation to represent and interpret the public interest”, they “destroy the basis upon which that responsibility rests” (1980:26). The Dix Committee of Inquiry asked Commissioners if they had been subject to political pressure. ABC Vice-Chairman Laurie Short replied: “from time to time parties do complain but as to government direction or government
pressure. In my time on the Commission I have no evidence of it". Commissioner Ken Tribe responded that "if there was any leaning, it was not done on me". Chairman Professor Leonie Kramer observed that "the pressures that come on individual Commissioners are rather from interest groups in the public than from politicians" (Scan 8 December 1980: 7).

Nevertheless the ABC has complained about the high level of monitoring which makes it difficult for the organisation to operate freely and flexibly while

...its accountability to the Parliament has been extended so as to require it to provide detailed information to various government departments and agencies on a range of administrative questions which have little relevance to broadcasting. This requires the diversion of staff from more urgent administrative and operational duties associated with the provision of program services to the public. (Dix Vol. 2: 78)

Beyond the statutory requirements of legislation, much of the relationship between Parliament and the ABC is based not on law but on the conventions of limited ministerial responsibility. As Mark Armstrong noted, the effectiveness of a statutory corporation in maintaining its independence while remaining accountable to Parliament relies on "the quality of the people...you can't legislate about that" (September 1982). R. Gregory has also argued that the onus is on public broadcasting organisations to define and protect their responsibilities. To maintain functional independence a corporation cannot rely on "having friends in Parliament" but must defend its right to make program policy without ministerial involvement (1978: 431, 435).
1.4 FUNDING THE ABC

"Such inefficiencies as do exist in national broadcasting have as their major cause the mercurial nature of funding arrangements."

ABC Annual Report 1975/76

Speaking to the National Press Club on 12 May 1983, Professor Leonie Kramer argued that independence for the ABC remained a "pious hope" while the ABC was dependent on "government handouts for its operations" (Canberra Times 13 May 1983:3). The Minister for Communications, however, defended the ABC’s independence within current financial arrangements. Michael Duffy assured the Corporation that the ALP government did not have "the slightest intention of exerting pressure on the ABC by threatening to reduce its funds if it does not treat the government favourably in news and current affairs programs" (1984:1).

Both Kramer and Duffy were addressing the relationship between funding and independence. The ABC is financed directly from Commonwealth consolidated revenue, with the amount determined each year by Cabinet. Duffy’s comments acknowledged a concern that government control of the purse might affect the ABC’s capacity for autonomous action. Kramer was making the point that the current funding system leaves the ABC vulnerable to financial pressure from governments and makes long-term planning difficult for an organisation whose income can fluctuate according to its political fortunes. While the ABC remains dependent on governments for funds it is placed in an invidious situation: as a broadcaster the Corporation is expected to be neutral and ‘above politics’, but as an organisation the ABC must lobby governments to guarantee its financial stability.
The Development of ABC Funding Arrangements

In David Corbett's model, the ideal statutory corporation raises its own income and remains independent of Treasury (1965:187). The original Australian Broadcasting Commission Act of 1932 provided the organisation with a source of funds outside direct government patronage. This was a licence fee levied on all owners of radio receivers, with the level set by government. The Australian Post Office collected the fee on behalf of the ABC.

The licence fee system, however, did not prove a stable or independent income because governments used their power to alter the ABC's share of licence fee revenue. In 1940, for example, following a campaign by Sir Keith Murdoch's newspapers, the Menzies government reduced the cost of a radio licence and the ABC suddenly found itself in serious financial difficulties (Inglis 1983a:82).

In 1947 the ABC's financial problems prompted the Parliamentary Standing Committee On Broadcasting to begin an investigation of ABC funding. The Committee noted the unsatisfactory history of the licence system with governments able to vary the ABC's income by altering the licence fee. Committee members were not keen for the ABC to become part of the annual system of grants used to finance government departments. They feared political interference if Cabinet directly allocated money to the Commission. Though the Committee eventually recommended that the ABC move from a licence to funding from consolidated revenue, it argued that grants should be for a three year period. This would minimise the risk of governments using the purse-strings to discipline the ABC. The Committee rejected suggestions that the ABC be funded partly by sponsorship or advertising (Semmler 1981:66-67).

The Chifley Labor government accepted the notion of direct funding but
insisted that the ABC participate in the normal budget cycle. The Australian Broadcasting Act of 1948 decreed that the ABC henceforth be funded by annual grants from consolidated revenue. "There was no evidence that the Labor government introduced the new system in order to hobble the Commission. Probably it had no other motive than anxiety...that an increase in the licence fee would be electorally unpopular" (Inglis 1983a: 187). Curiously, the licence continued to be collected until 1973, with the receipts paid directly into consolidated revenue and bearing no relation to the ABC's income.

As the 1947 parliamentary committee report anticipated, the system of annual grants enabled governments to exert financial pressure on the ABC. In the 1950-51 budget, for example, the Menzies L/NCP government unexpectedly reduced the ABC's estimates by 125,000 Australian pounds. In 1953, having realised its vulnerability without a guaranteed source of income, the ABC requested a return to the original licence fee apportionment system. The government declined.

The fluctuations in funding by direct parliamentary appropriation have continued, though the ABC has not always been the loser. In 1970 the Postmaster-General informed the Treasurer that the ABC's estimate of expenditure for the following year would be reduced by $500,000, with half that reduction to be applied to ABC television current affairs programs. At that time the government had no legislative power to order cuts to a specific ABC activity; it could only reduce the overall level of funds available for the organisation. Determined opposition from the Commissioners and a public outcry eventually forced the L/NCP government to abandon this heavy-handed attempt at censorship. ABC General Manager Talbot Duckmanton called the Postmaster-General's capitulation a "precedent of the right kind and of enduring value for the future" (ibid: 328). Explaining to a BBC audience some years later the implications of the government's failure to restrict the ABC's foray into current affairs television, Duckmanton asserted:
It is argued, of course, that the ABC cannot be independent in its program policies if it has to go to the government each year - 'cap in hand' as the popular phrase has it - for the next year's money; that if the government of the day holds the purse strings it must be tempted to use that power to influence the Commission's program policies. I must brace myself at this point and tell you, no doubt in the face of pitying disbelief, that, in practice, it is not so. (1975:10)

In 1971 the L/NCP government amended ABC legislation to introduce estimates clauses. The provisions, which are standard in Australian statutory corporation legislation, require the ABC to submit estimates of its expenditure in the coming financial year, for consideration by the Minister for Communications. Estimates project ABC spending in five broad headings - Radio Australia, radio-domestic, television, other activities and administration. Each heading is broken down into figures for salaries, expenses and capital equipment (Dix Vol. 2:539, Lindsay 1984, Blunden 1984). The current format of ABC estimates was proposed by the ABC, though the Minister has the right to stipulate the form in which the estimates will be presented. Once approved, the ABC can only spend money according to these estimates. The estimates clauses were introduced as a "housekeeping measure, part and parcel of a modern set of standards for banking (and) keeping audits" (Harding 1979:111).

The danger to the ABC from this 'housekeeping measure' only became apparent in 1977. In that year the Fraser L/NCP government decided to close down ABC radio station 3ZZ. Because Melbourne ethnic/access station 3ZZ was officially designated 'experimental', rather than part of the ABC domestic radio service, its running costs appeared as a separate item in ABC estimates submitted to the government. Cabinet declined to approve the estimate funding 3ZZ and the station could not continue. ¹

There is no evidence that the estimates clauses were originally designed to

¹The 3ZZ case is described in detail in chapter 3:2
be used in this way, but they proved an effective control over ABC activities. If ABC legislation had contained estimates clauses in 1970, Postmaster-General Hulme could have required the ABC to list the costs of program categories and then legally reduced the estimate for current affairs television by $250 000. This would have required a complete restructuring of the ABC's accounting procedures, away from capital and salary listing in favour of identifying specific output costs for programs. Though no government has used the estimates procedures to attack established individual programs (as opposed to an experimental ABC service), the estimates clauses nevertheless do more than allow governments to closely monitor ABC spending: they give governments a potential point of entry into ABC decision-making.

Following the 1975 election, the ABC faced its most dramatic financial contraction. The Board was informed that it would have $8.4m less than anticipated to see it through the remaining financial year (Inglis 1983a:389). The Fraser L/NCP government reduced the ABC's income in constant dollars every year for the rest of the decade. Only in 1982/83 did the organisation regain the level of funding it had enjoyed in 1975/76 (ABC Annual Report 1982/83; 35). As Edgar notes

...several members of the newly installed L/NCP government in November 1975 believed that their time out of office had been made much more difficult by the ABC, and that the ABC was biased toward the Labor government.

...the ABC had to fight off crippling financial cutbacks...Ostensibly the government's intention was to achieve greater efficiency within the ABC, but it was widely believed that the government's targets were political. (1981:10)

The instruments used during the Fraser years to reduce the size and scope of the ABC were not restricted to financial measures. Staff ceilings, manpower plans, the appointment of Sir Henry Bland as Chairman, inquiries, limitations on new transmitters and revisions to the
Broadcasting and Television Act were also employed. As Marion MacDonald noted in the Sydney Morning Herald, the effect was like "watching a well-loved Auntie starving to death by inches" (Inglis 1983a:437).

The ABC’s financial contractions of the later 1970s were generally met by reducing capital expenditure, thus diminishing the future effectiveness of the organisation. ABC Director Richard Boyer notes that the ABC "absorbed the reductions in real income it experienced between '74-'75 and '79-'80 (roughly 28%) by disproportionately cutting capital expenditure...this is seen in Canberra as reflecting poor management" (1983:2). In fact the options for cutting costs in an organisation such as the ABC are limited because most capital is already tied up in expensive equipment and facilities. Because broadcasting is both capital and labour intensive, requiring elaborate electronic equipment and numerous skilled personnel, considerable long-term planning is needed to get programs to air. A broadcasting organisation must think ahead and build studios, acquire equipment and train personnel. A large broadcasting institution, then, is not very flexible. If it is to operate efficiently it must commit resources in advance and work to long-term plans. This makes an organisation such as the ABC particularly vulnerable to fluctuations in funding. Even a slight shortfall in expected income can wreck years of planning, with disproportionate effects on current and future operations.

In 1979 the government signalled the end of the period of 'negative priorities' for the ABC. Tony Staley, Minister for Posts and Telecommunications, announced the offer of three year funding for the ABC, with a promise that the 1979/80 allocation would be indexed against inflation. The following exchange was reported on the ABC national television news of 24 July 1979:

Duncan Fairweather: Is this an admission by the government
that it's been too hard on the ABC for the past three years?

Tony Staley: In effect it is. (Williams 1982b: 6)

When Staley resigned as Minister, the offer was modified and later lapsed. Since then the Corporation has relied, once more, on annual appropriations, and must live with the risk that governments will attempt to use their financial control to pursue political ends.

The Budget Process

Australian governments use a system of annual appropriation, with Cabinet framing a budget which is then considered by Parliament. The budget process is more than an exercise in raising and spending money. It is a statement of government policy in every area affected by fiscal measures. The budget is an economic strategy to achieve political ends.

The difficulty for governments preparing budgets is finding a 'rational' level of funding for an organisation such as the ABC:

Both outsiders and many insiders find it hard to judge fairly the efficiency or creativity of the ABC... ABC funding is a permanent 'problem'. Given its very broad aims, given in the Act and arrived at by convention, given that priorities are not clear nor could they be without offending important interests, given no easily available criteria for ABC 'waste' or 'efficiency', it is not easy to see how much money the ABC 'really' needs and how much 'fat' there is. Basically, it is... a question of taking a past figure and extrapolating it... Endless disputes over funding and the use of funds are built into the system. (Mayer 1980: 551)

The Australian Broadcasting Corporation must participate in the annual budgeting process. It negotiates with the Department of Communications for Ministerial approval of its estimates. Once this is given the ABC becomes part of the Department of Communications' bid for approval by Cabinet. Thus the ABC must each year present detailed financial records to its supervising Minister and ultimately to the government for approval.
The annual ABC appropriation represents a political decision about the worth of the organisation.

Cabinet's decision on the level of ABC funding is included in the annual Appropriation Bills. The Corporation is given grants for ABC operations, capital and Radio Australia. A three line appropriation does not mean the ABC can spend this money at will. Section 62 of the Australian Broadcasting Corporation Act (1983), passed by a Labor government, reproduces the 1971 L/NCP amendments which require the ABC to submit detailed estimates of expenditure to the Minister and adhere to whatever estimates the Minister approves. Governments can thus keep fairly strict control over ABC finances - both the overall level and the way the organisation uses this money.

The ABC's annual budget cycle:

- October: the ABC begins preparing three year forward estimates of the cost of existing and approved projects.

- December: the ABC's forward estimates, approved by the Board of Directors, are sent to the Department of Communications.

- March: the ABC prepares its estimate of expenditure for the coming year. This is sent to the Department of Communications, where it is analysed and forwarded to the Department of Finance by March 31.

- May: based on initial Cabinet responses to expenditure proposals the ABC must provide a 'first bid' for total funds required in the coming financial year. These are processed by the Department of Finance and returned to Cabinet.

- July: Cabinet makes its budget decisions.

- August: the annual budget is brought down, including the ABC's funding for the financial year.
• November: Parliament passes the *Appropriation Acts*.

• January: ABC submits "additional estimates" to cover rises in costs before the next budget process.

The ABC's three year forward estimates, first bid estimate and additional estimate are prepared by the Corporation's internal Finance Department and approved by the Board of Directors before being submitted to the Department of Communications. The Australian government budgeting process is largely incremental, so most of the estimates documents deal with comparisons for the figures from the current year. Estimate documents include descriptions of changes in activities and programs which will result in movements in revenue and expenditure. The budget process is the ABC's opportunity to outline for the government the operational and capital requirements of Australia's national broadcasting organisation.

There are inevitable but unpredictable increases in costs, especially in salaries, during a financial year. To accommodate these, an additional estimates process, in January, supplements the main budget following the passing of the *Appropriation Acts*. Additional estimates ensure continued funding of projects until the next budget. They normally do not include capital items or the funding of new projects. Additional estimates require further negotiations between the ABC and the Departments of Communications and Finance. In December 1983, for example, the ABC requested an additional $20m to enable it to cope with extra costs until 30 June. The Department of Finance found this bid too high and - on three occasions - pressured the ABC to reduce its requirements. In January 1984 the ABC reluctantly resubmitted a request for $12.5m only to have Finance offer a maximum of $11m. Finally Cabinet decided that the ABC would have to accept $12.25m, of which $10m was already committed to covering salary increases following a national wage case (*Sydney Morning Herald* 3 March 1984: 7). In January 1976 the refusal of the new Fraser
government to grant additional estimates was the first indication of the coming 'squeeze' on the ABC.

The ABC and the Budget Bureaucracy

The Communications portfolio examines the estimates documents of the agencies under its jurisdiction, including those from the ABC, and advises the Minister on trade-offs available within the portfolio to keep within budget guidelines decided by Cabinet. The Department of Communications "is not, and can not be, a disinterested advisor: its primary responsibility is to the Minister, not to the ABC" (Dix Vol. 2: 528). If the ABC disagrees with the assessment of the Department of Communications, then it must put its case to the Minister and await a decision. When budget negotiations are completed, the Department of Communications returns to its role of ensuring compliance with approved financial and policy guidelines.

Once the Minister for Communications has approved the combined estimates of the portfolio, these are forwarded to the Minister for Finance. The Transport and Industry Division of the Department of Finance deals with the ABC, treating its estimates in the same manner as those from government departments. The Department of Finance is considered by the ABC to be a tenacious negotiator. Former General Manager Charles Moses claimed that an ABC which lacked a skilled and experienced Controller of Finance would have "an almost impossible time in squeezing the requisite funds from that tough department" (Weekend Australian 2 July 1983: 6). If negotiations or explanations are required, there may be direct contact between officials from the Department of Finance and executives from the ABC. A representative from the Department of Communications joins any conferences and advises the Minister of its outcome.

Any dispute between the Departments of Finance and Communications over the ABC's appropriation is first considered informally by the Ministers.
If they cannot reach settlement, the matter becomes a 'disagreed bid' and goes to Cabinet for a decision. Such disputes are rare because the ABC and the Minister are working to budget guidelines issued by Cabinet in May, and so can anticipate the level of bid the government will find acceptable. In the case of a disagreed bid, Cabinet receives a report from the Department of Finance and listens to the arguments put forward by the Minister for Communications. Cabinet's decision is final. There has only been two disagreed ABC bids, the most recent in 1980/81. On that occasion the view of the Department of Finance prevailed (Coulter 1983).

Once a budget is passed by Parliament, funds are transmitted to the ABC by the issue of warrants. These come from the Department of Finance and are sent to the Department of Communications, which in turn remits the funds to the Corporation's account with the Reserve Bank in Sydney. The transmission of funds follows a timetable prepared by the ABC. The ABC draws from its Reserve Bank account #1 on a monthly or 'as needed' basis. It is paid no interest on the deposit. The ABC may not borrow funds, nor raise loans on its assets.

**Monitoring ABC Expenditure**

Financial checks on the ABC are part of a wider set of constraints on autonomous action by the Corporation, which aim "to provide accountability to the public or the Parliament as a whole without subjecting the ABC to political manipulation" (Armstrong 1982:101). This is the standard dilemma of statutory corporations - balancing independence with responsibility. For the ABC this requires remaining accountable to Parliament for its expenditure while retaining the right to decide its internal allocation of resources, within broad headings approved by the Minister.

The Department of Communications keeps an expenditure report on the ABC and provides detailed records to the Department of Finance. Other external reviews of ABC expenditure include:
• an annual investigation and report by the Commonwealth Auditor-General of accounts under the *Audit Act*.

• the ABC provides an annual report to Parliament which includes financial statements independently audited. Ministers are expected to defend the financial administration of statutory corporations under their responsibility or to take action where financial statements are not satisfactory.

• review by parliamentary committees and independent inquiries, such as the Dix Committee of Inquiry.

• Senate Estimates Committees examine claims for additional estimates and review the performance of the ABC over the previous year.

• the decisions of the law courts if particular expenditure is challenged as being illegal.

The Dix Report noted that "by and large the ABC has complied reasonably well with the statutory and administrative requirements of the government and Parliament over the years". On only three occasions since the first report in 1933/34 has the Auditor-General's report to Parliament about the ABC been adversely qualified (Vol. 2: 515). The ABC, however, has complained of the totality of government procedures and controls as a major inhibiting factor in its capacity to get on with its primary function — that of producing and broadcasting radio and television programs. The ABC has argued that it alone should determine "how the overall appropriation is apportioned to meet current requirements and future developments" (quoted in Dix Vol. 4: 40). The Dix Committee did not accept ABC complaints about its bureaucratic environment; it concluded that each set of procedures had a rationale and produced in aggregate financial constraints and controls over the ABC which were "strict and detailed" (Dix Vol. 2: 514-515).
Triennial Budgets and Planning

After listening to years of protests from the ABC that its funding was inadequate to fulfill statutory obligations, the Fraser government decided that "for a trial period of three years the ABC's appropriation for ordinary operations and capital expenditure would not be less than its appropriation for 1979/80 plus adjustment for subsequent increased costs" (Dix Vol. 2:517). The ABC considered it was being offered a guaranteed long-term minimum income. Announcing this 'triennial funding' for the ABC on 24 July 1979, the Minister for Posts and Telecommunications, Tony Staley said

Now this is a remarkable breakthrough and the ABC admittedly has had a difficult time in the past few years. And we believe that this will give them new heart and hope. They'll be able to plan. they'll be able to give jobs to Australian producers, directors, actors, actresses and people like that and I think do a great deal for Australian culture. (Williams 1982b:6)

The admission by the Minister that planning was difficult under the current annual funding arrangements, then in their 30th year, was important for the ABC. Since 1949 the ABC had argued for some form of triennial funding, stating that it needed to be able to plan for three year periods to accommodate the long project lead times of the technological broadcasting industry.

Unfortunately for the ABC, the Minister's statement did not include a guarantee of full adjustment. In its estimates for 1980/81 the ABC requested an adjustment of $3m to cover "extraordinary increases in the cost of raw film, purchase of films and sporting rights". Cabinet rejected the ABC's claim, which Department of Finance officials cited as an example of the inability of the ABC to adjust to the realities of a tight budgeting situation (Dix Vol. 2:525-526). The failure to recover what it saw as a clear case of rising costs needing adjustment convinced the ABC that the government did not intend to adhere to its commitment. The
Chairman of the ABC, J. D. Norgard, told ABC staff: "The Commission is deeply concerned that the triennial funding promised by the government in 1979 has not been maintained. If we don't receive substantially more than is now being proposed, the Commission will have no option but to cut programs and services in both radio and television and certainly will have no funds for development" (Scan 22 June 1981:1).

The government and the ABC had disagreed about the definition of 'triennial funding'. The government intended to guarantee a minimum parliamentary appropriation for three years at the 1979/80 base level, but retained the right to decide what costs were 'justified' and thus to be included in annual adjustments. The ABC had a wider vision of the implications of triennial funding. It envisaged a rolling three year base indexed to maintain its value in real terms; furthermore, the ABC expected to have immediate access to the entire three year grant at the beginning of the triennium and not to have to go through the usual budgeting process in the second or third years (Coutier 1983). None of these ABC expectations were satisfied by Staley's triennial funding. The experiment has not been repeated. Triennial funding remains an unfulfilled ABC expectation.

From 1982/83 the ABC's financial situation began to improve. The organisation was able to cease the practice of weathering financial contraction by transferring money from the capital projects to finance continuing operations. This was partly helped by a one-off capital appropriation for new ABC equipment to cover the 1982 Commonwealth Games. Transferring capital appropriations to cover operational costs arose as a desperate move to keep programs on air during the difficult financial period of 1976-81. Some within the ABC have suggested that the transfers were only an extension of the problem of effective planning imposed by an annual appropriation system. ABC Commissioners told the Dix inquiry, with particular reference to housing, that
it is not possible to make rational decisions for the future development of accommodation with a system of annual appropriations...the Commission takes the view that really effective long-term planning and economic management can be developed only when there is a level of assurance regarding its funding. (Dix Vol. 2: 518)

Governments and Treasury have consistently opposed long-term commitment of funds to the ABC. They have stated that advance agreements for expensive operations reduce political and economic options for governments because such commitments "assume that the relative claims on governments will remain in the same sort of relationship for the next three years" (Boyer 1984).

Many critics of the ABC's management of its resources argue that the plea for guaranteed long-term funding exaggerates the difficulties of the current system. Most businesses operate successfully with similar uncertain future incomes. The report of financial consultants who examined ABC management practices for the Dix Committee noted that many ABC capital and planning problems were self-imposed because the ABC's "budget allocation process has not always coped systematically with the adjustments required" (Dix Vol. 4:4-5). By overspending in its operational division and compensating from the capital appropriation, the ABC has created uncertainty about having enough remaining capital for long-term projects, particularly for financing buildings.

Dix concluded that "the ABC should be able to undertake longer term planning under the present funding process" (Vol. 2:524). To stop the practice of transferring capital to operations, Dix suggested that governments be even more strict in enforcing precise adherence to estimates by apportioning funds to specific operations such as Radio Australia, orchestras, and education (ibid:540). This recommendation was opposed by the ABC Commissioners, who argued that "the process of limiting or with-holding funds for particular program categories could have
unfortunate effects, with the government of the day exerting too great a direct influence on programming" (ABC 1981a:12-13). The system of a three line ABC appropriation has thus far not been altered, but governments retain the potential, through the estimates process, to follow the Dix recommendation and impose more strict external control on the ABC's internal allocation of resources.

**Funding and Independence**

To the extent that governments control the amount of funds provided through the Parliament to statutory bodies, it could be argued that the independence of those bodies is limited. (Dix Vol. 4:13)

The BBC is funded by a radio/television licence, supplemented by a grant from Parliament. The Canadian Broadcasting Corporation is funded by a licence supplemented by advertising, as is its New Zealand equivalent. The ABC, however, remains solely dependent on the government for funds. In many ways the switch from licence fee to direct grant for the ABC was inevitable. The high cost of providing adequate services for a small population spread over a continent meant that revenue from licences would be inadequate unless the licences were extremely expensive. The high cost, the difficulties of collection, the problems of enforcement and the political unpopularity of new taxes all militated against any Australian government reintroducing a radio/television licence to fund the ABC.

Many commentators have proposed alternative methods of financing the ABC which seek to guarantee the ABC's independence while keeping the Corporation accountable to the taxpayers through Parliament. Clement Semmler suggested a combination of a licence fee to cover the cost of producing entertainment programs and a direct government grant for minority broadcasting services such as Radio Australia, education and rural programs (1981:69). Professor Kramer pointed to universities as a possible model for ABC funding, arguing that the three year formula
funding of universities placed tertiary institutions "a little further from direct financial dependence than the ABC" (1983c:128). The university precedent of a triennial recurrent grant, with the ABC applying for new capital requirements at the end of each triennium, would save the "dreadful annual trek to Canberra" to lobby for funds, and avoid the problem of coping with rises in non-discretionary costs which are not included in additional estimates. At the same time Kramer supported corporate sponsorship because she believed the ABC should have more than one source of funds (1984c). She failed, however, to convince either the out-going L/NCP government or the incoming ALP administration of the need to find new methods of funding the ABC.

The annual budget round forces the ABC to become involved in political and bureaucratic manoeuvring. The ABC's estimates must be approved by the Minister for Communications before they can go to the Department of Finance. New policy proposals, requests for capital allocation and disputed bids are all taken to Cabinet by the Minister for Communications. Consequently, cordial relations with the Minister, an ability to present good cases to the Departments of Finance and Communications and some political discretion about when to request more resources and when to keep quiet, are necessary if the ABC is to get maximum benefit from the budget process. Even when money has been promised, there is the risk that the government may renege on its commitment, as the Fraser government did in 1976 by cutting $1.1 m from the ABC budget and in 1980/81 by abandoning triennial funding.

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2 The parallel with universities is interesting. Both claim special mandates for their independence - the ABC from its position as a statutory corporation, universities from the tradition of academic freedom. In the ANU Reporter (27 August 1982) the Chairman of the Australian Vice-Chancellor's Committee, Professor David Caro, is quoted as arguing that "autonomy (is) the big question" and then goes on to discuss autonomy purely in terms of an economic relationship - the right of universities to a guaranteed and stable income from the federal government.
The ABC's financial position is often contrasted with that of the BBC. When the BBC Charter is renewed or a new licence negotiated, the BBC and government reach a long-term agreement about the Corporation's parliamentary supplement and income from the licence fee. The BBC thus has a guaranteed minimum long-term income. Many British writers insist that BBC independence rests on its source of funds:

Without the licence fee it would not be the same institution; it would either be subject to the advertisers and market analysts (if it should decide to take advertising) or become the vassal of the civil servants (if it were to accept direct government funding). Both directions are heartily to be deplored. (Smith, Times Higher Education Supplement 14 June 1982: 11)

In 1977 the British government broke with tradition by announcing the licence fee settlement for the next financial year only. The Director-General of the BBC, Sir Michael Swann, replied that a one year agreement was dangerously close to an annual grant-in-aid system of the sort "repeatedly rejected by government committees of inquiry as being bound, sooner or later, to undermine the BBC's vital constitutional independence" (BBC Handbook 1978: foreword).

This issue was taken up in considerable detail by the Annan committee in its 1977 review of the BBC. That Committee, after a spectacularly inaccurate description of the operation of funding for the ABC, concluded that the Australian method of 'direct taxation', if used in Britain

...would entail detailed supervision by the Home Office and the Treasury of BBC current expenditure, where now only the level of capital expenditure is fixed. This means the BBC would have to justify all its expenditure each year and the Home Office would be entitled to examine in detail, the BBC's plans and any proposals for new expenditure. Governments would be expected to have views and even take decisions about program costs, content and quality. Stations and services which the government thought redundant would be shut down. Inevitably the government would become responsible for the BBC services... (quoted in Dix Vol. 4: 14).
Yet the BBC suffers from the same problem which plagued the ABC when it too was funded by licence fees. If the government sets the level of the fee then the organisation can find itself very short of money. Licence increases are electorally unpopular: the BBC finds it difficult to persuade governments that it needs more funds. So the BBC must lobby, must argue its case to politicians, must play politics to ensure its income keeps up with costs. The long-term agreement about licence levels certainly removes the pressure of annual appropriations, but it does not take the BBC entirely outside the political arena.

The Annan committee rejected direct funding as incompatible with the continuing independence of the BBC. The Dix Committee, on the other hand, was unimpressed by claims that current funding arrangements threaten the independence of the ABC. Their Report was generally unsympathetic to ABC requests for a lessening of financial and other supervision by Commonwealth departments: the Committee "did not consider that the ABC had a unique constitutional or democratic role which required special freedom" (Armstrong 1982:105). The Dix Report argued that the ABC placed too much emphasis on its status as an "unique organisation" which "merits special treatment" and should instead concentrate on becoming "more effective in its dealings with the bureaucracy":

(The ABC) pointed out that its statutory responsibilities as defined in the Broadcasting and Television Act were illegally encroached on by procedures and decisions applied administratively by the government...such polemics are in our view counter-productive, and divert the energies of the organisation from a realistic appraisal of its relationship with the government and effective handling of the system of management of public resources that the government has imposed. (Dix Vol. 2:559)

Dix Committee members examined and rejected various alternative methods of funding the ABC, such as the reintroduction of licence fees, advertising, a tax on the revenue of commercial operators, loans, bonds
and even lotteries to support the Corporation. Though recommending some corporate underwriting the Committee concluded that funding through parliamentary appropriation is a "major safeguard" which protects the "editorial independence and integrity of the ABC" (Vol. 2:471). Consequently Dix recommended that parliamentary appropriation should continue as the main source of ABC revenue, with more detailed estimates for certain specific functions.

The assertion that direct funding does not threaten ABC independence can only be tested by an appeal to history. Here the evidence is inconclusive - sometimes, as in 1970, a government failed when it tried to exert financial pressure to stop an activity of which it disapproved. On other occasions, as in 1977, a government was able to use the budget process to shut down an ABC service. What can be asserted from historical evidence is the potential for political interference inherent in the budget process. The annual budgeting system makes the ABC an actor in the political system. It must participate in bureaucratic politics to protect its resources. The ABC must continually justify its activities to government agencies and to Ministers. Under the current system, "if the government pays the bills, it is readily arguable that nothing is outside its competence" (Semmler 1981:70).

The ABC's main complaint against the current system has been the problem of planning within a fluctuating annual income. In Professor Kramer's words,

We at present waste financial and human resources in the annual pilgrimages to Canberra to argue for our self-evident needs. This system is administratively inefficient, and prohibits confident long-term planning. (1983d:4)

The Corporation's planning problems, however, are not substantially different from those of any large organisation. One suspects that few other organisations would so endanger their future viability by maintaining
most or all current operations at the cost of capital expenditure. The ABC has sometimes allowed the complexity and problems of the current system to justify short-term responses to financial crises: its difficulties might originate with political decisions and be exacerbated by the annual appropriations system, but they have not been helped by the ABC's management of its resources.

ABC Director Richard Boyer believes the organisation has been wrong to campaign for triennial funding rather than seek to work within the existing system:

If there is a genuine need for the services of the authority and if it is meeting that need with tolerable efficiency and if it does enough to make sure it is perceived to be doing that then it can be as reasonably assured as possible that its relative funding in real terms is at least going to continue in the future. (1984)

This view was supported in Parliament during 1982 debate on ABC legislation. Senator Peter Baume defended the current funding system, saying that he had "never seen the reality of the argument that government funding of the ABC implies subservience to the government's will. Any government that tried to cripple the ABC by needlessly withholding funds would quickly lose community support" (1982:6). Boyer argues that the ABC has failed to convince the government that it is being efficient and therefore governments have felt justified keeping a close watch on ABC activities; if the "lack of public performance goes far enough for long enough [it] constraints will become embodied in legislation" (1984).

Since 1949 the ABC has been almost entirely dependent on Parliamentary appropriation for financial support. The distinction between administrative and functional independence suggests that governments will normally use financial controls to draw the boundaries of ABC activity rather than to censor particular programs. There is no guarantee, however, that a government will not eventually decide to use the estimates process against
a particular ABC program. The Fraser government forced the closure of ABC radio station 3ZZ with little political consequence: a future administration might decide that the political damage resulting from the removal of some current affairs programs would be less than the likely damage of allowing them to continue. Alternatively, the ABC may perceive that it will suffer financially if it offends the government and accordingly protect its interests by politic decisions about program content. The current direct funding system, with its adherence to approved estimates, does not necessarily mean that governments can dictate ABC programming - but it does raise the potential for administrative procedures to influence judgements about functional issues.
Media lawyer Mark Armstrong has argued:

...if constitutional theory reflected current political needs, the ABC might be given similar legal independence to the courts. Legal texts cite the ABC as a prime example of the need for independence in a statutory authority (1982:100-101).

Yet while courts are given one-line budgets and control of their own administration, the ABC is subject to a large number of bureaucratic and political checks. The ABC must not only account for its use of resources to Parliament, its Minister, the Departments of Communications and Finance and the Auditor-General: the Corporation must also deal with a large range of government departments over staff levels, planning, transmitters, administrative arrangements and accommodation.

ABC executives resent the need for constant dealings with the federal bureaucracy. The Commission’s submission to the Dix Committee complained of “too great a degree of control exerted by other branches of the public sector upon the ABC’s day-to-day operations” (1980:28). Professor Leonie Kramer, as Chairman of the ABC, criticised the protracted fights and delays with the federal bureaucracy as a “waste of public money” (1984). In response, the Dix Committee was surprised at the “extent of controls on the ABC as a result of its relationship with other government bodies”, though it noted that “there does not appear to be any widespread public concern about the statutory controls on the ABC” (Vol. 1:11). The ABC remains well integrated into the Commonwealth public service, with restrictions and checks that are unlikely to disappear.

The Department of Communications

The ABC’s first point of contact with its bureaucratic environment is through the Department of Communications. Because the ABC needs
ministerial approval for its estimates, for non-program purchases over $500,000 and to sign leases. There are constant dealings between the Corporation and the Department. For routine decisions the ABC must negotiate with the Department; as Hull notes, "only matters primarily of a high policy nature reach the Minister" (1959:246). While ABC Director of Corporate Affairs, John Hartley, complained about the attitude this bureaucracy took toward the ABC:

There's an enormous amount of this dealing with Parliament, with politicians, with people who are trying to lean on the ABC - often government departments. You're forever at loggerheads with the Department of Communications because everyone is trying to exert power. Government departments all the time are also trying to retain control over the ABC even when they've got no right to. (1983)

As ABC Chairman, Professor Leonie Kramer protested about administrative delays caused by the Department. She cited the case of such a delay preventing the ABC purchasing a new helicopter. The ABC had requested the Minister's approval to spend the money, but this was not immediately granted because the Department of Communications, without the ABC's knowledge or consent, referred correspondence between the Commission and the Minister to the Attorney-General's Department. While accepting a role for the Department of Communications in monitoring, but not controlling, statutory corporations, Kramer called for "more direct access between the authorities and the Minister without the Department's involvement" (1983d:2).

Problems between the ABC and the Department of Communications were discussed with the Secretary of the Department, Robert Lansdown, at an early Corporation Board meeting. Lansdown defended the role of the Department in closely monitoring ABC activities, pointing out that

...no statutory authority - as an arm of the Commonwealth - can exist in a state of total independence. The central element was the use of public money and the final decision as to the commitment of funds had to be made at the political level. (Scan 5 September 1983:5)
The restrictions and delays for the ABC resulting from dealings with the Department of Communications are unlikely to diminish. While the Minister retains responsibility for decisions about estimates, purchases and leases, the Department must ensure that the Minister is fully informed about ABC administration and can defend his or her stewardship of this statutory corporation to Parliament. Beyond protesting loudly, there is little the ABC can do if the Department of Communications interprets this responsibility in a manner the ABC finds unnecessarily intrusive.

**Staffing: The Public Service Connection**

In 1960 the federal Parliament passed an amendment, requested by ABC Commissioners, which gave the Public Service Board (PSB) power to determine wages, positions and conditions of employment within the ABC. Final authority over the ABC’s structure and personnel was handed by the Commission to an external body - the ABC surrendered much of its administrative freedom to become part of the Commonwealth public service. The move was advocated by senior managers and a majority of Commissioners, who hoped that transfer of powers over wages and conditions might ease the serious industrial relations problems then plaguing the organisation. The decision distressed ABC Chairman Boyer, who believed that "involvement with public service conditions made it far more difficult to discern where the statutory authority and independence of the ABC ended" (Inglis 1983a:246).

For two decades the Public Service Board (PSB) had to be consulted about any change to the structure of the organisation which might affect employees. Posts could not be created, altered or abolished without permission from Canberra. Wages within the ABC were not set by the standards of the broadcasting industry but by PSB rulings on 'comparable work' performed elsewhere in the Commonwealth bureaucracy. In many key respects the ABC became "like a branch of the public service", developing and entrenching its own 'internal rigidities' (Dix Vol. 1:12).
From 1976 through to 1983 the Fraser government used the statutory authority of the PSB to enforce staff ceilings on the ABC and to require that official international travel by ABC staff be first approved by the Overseas Visits Committee. As ABC Chairman J. D. Norgard complained:

These constraints, and often they are very serious constraints, severely hamper the independence of the ABC. Some, such as the limit on the number of people the ABC can employ, are contrary to the spirit and even to the wording of the Broadcasting and Television Act. The Act requires that the Commission shall appoint such staff as it thinks necessary. But in fact governments now determine staff ceilings - and usually without consulting the ABC - and funds are provided accordingly.

A group of public servants also decides who in the ABC shall travel outside Australia, irrespective of fluctuating needs arising from world events. Restraints are imposed in the industrial field, when dealing with staff, terms and conditions of employment and disputes. (1981: 10)

Norgard concluded:

All this means that administratively the ABC is required virtually to function as a government department with all the slow-moving procedures and bureaucratic delays inherent in such a system (1981: 11).

When the Whitlam government introduced staff ceilings in 1974, the ABC’s quota was set at 7,600 people - more than the Commission then employed. The Fraser government, however, "quickly transformed this elastic girdle into an iron strait -jacket" (Harding 1979: 132). A ceiling of 7,100 staff was set during 1976. The following year this was lowered to 6,800 and then to 6,238 by June 1979. Tom Molomby calculates that in the period from 1976 to 1982 the ABC lost 15% of its staff, compared with an overall reduction of 5% in Commonwealth public service staff (1982: 3).

As Norgard noted, it is doubtful whether governments had a legal right to tell the ABC how many people it could employ: PSB jurisdiction to establish positions and set wages and conditions did not extend formally to
determining overall staff levels. Harding called the use of PSB power to impose staff ceilings an "illegitimate intrusion into the statutory independence of the ABC" (Harding 1979: 132). Nevertheless, had the ABC refused to co-operate, the government could have used the estimates process to hold the ABC to a specific allocation for salaries - the Commission could not hope to maintain staff levels "beyond a certain point in the face of ever diminishing real levels of funding" (ibid: 133).

The dislocation to the ABC caused by imposed staff ceilings was immense. The government ordered that the reduction be achieved by "natural wastage", that is through "filling only the most essential positions when they fell vacant as the result of resignations and retirements" (ABC Annual Report 1976/1977: 6). Reduction in staffing levels was therefore random and hence difficult to anticipate or plan (ABC 1980: 29). The ABC lost many of its talented announcers and producers to better paid jobs in the commercial sector. It also lost much of its highly-trained production staff. The resulting shortage of Broadcasting Engineers contributed to the technical failings and on-air breakdowns which came to characterise ABC programs in the later 1970s.

Following this experience of staff ceilings and funding cuts, the ABC asked to be removed from the statutory controls of the PSB. This was endorsed by the Dix Committee, which hoped that ABC control over staffing, wages and conditions would enable the organisation to avoid a repetition of the gross inefficiencies generated by the effect of sudden contractions on a rigid, inflexible ABC structure (Dix Vol. 1: 13).

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1R. Horne recalls staff reaction to the ABC staff ceilings process: "I remember one officer threatening to end one of his more drastic submissions for expenditure cuts with 'Item, 10 cents, for one bullet to shoot myself', to be reminded by a lugubrious colleague that his epitaph would be written next day by the Staff Review Committee: "Position X, vacant, natural wastage, no replacement recommended" (1979: 53).
The recommendation to break the nexus with the PSB was accepted by the Liberal and Labor parties and incorporated in the *Australian Broadcasting Corporation Act (1983)*. This legislation gives the ABC's Managing Director the right to "appoint such officers, and engage such temporary employees as he thinks necessary" on "terms and conditions" he determines (s. 33). The ABC Board is given the right to create or abolish any position within the Corporation. Introducing the legislation the Minister for Communications, Michael Duffy, told the House of Representatives:

The Bill extensively updates provisions relating to the administration of the ABC. Part V of the Bill deals with staffing matters. A key change to the current provisions in the *Broadcasting and Television Act* is the severance of all statutory links with the Public Service Board. The ABC will be free to set salary levels and terms and conditions of employment for all ABC officers and temporary employees. It will, however, continue to participate in existing arrangements administered by the Department of Employment and Industrial Relations for the co-ordination of industrial relations policy and practice in Australian government employment (*CPD* Vol. 131 4 May 1983: 189).

These 'existing arrangements' require the ABC to consult about proposed changes to wages and conditions with the Co-ordination Committee On Industrial Relations, chaired by the Department of Employment and Industrial Relations. The Committee, through the Industrial Relations (Commonwealth Employment) Division of the Department of Industrial Relations, keeps the ABC informed on government wages policy and the decisions of the Arbitration and Conciliation Commission; the ABC in turn keeps the Department advised on staffing developments within the Corporation. Though there are "day-to-day consultations" between officials of the ABC and the Department there is, at present, "no statutory basis to the relationship" (Neville 1984). While the ABC is not currently subject to staff ceilings and is not required to submit a manpower plan, it still has to submit an estimate of the number and cost of employees at budget time. This procedure is "effectively a manpower bid" because the government "could re-impose staff ceilings through the estimates process" (Berry 1984).
The severance of the link with the PSB has given the ABC administrative independence to restructure its senior management without external reference. The lifting of staff ceilings and an end to the jurisdiction of the Overseas Visits Committee enables the ABC to decide on personnel resources without having to fit into an imposed and arbitrary framework. The ABC, however, has not been given total control over staffing arrangements. It is required by its Act to redeploy redundant staff. Like other government agencies, the ABC is subject to the full range of administrative law, including the decisions of the Arbitration and Conciliation Commission and the Administrative Appeals Tribunal (AAT). The Department of Employment and Industrial Relations Co-ordination Committee monitors the ABC industrial issues and keeps the government informed of developments within the Corporation.

Transmitters

The ABC has been making, packaging and distributing programs which are transmitted by Commonwealth owned national transmitter stations since 1932. These transmitter stations are provided by the Minister for Communications and are mostly multi-purpose, often simultaneously broadcasting signals for the ABC, SBS and commercial stations. Transmitting stations are operated and serviced by Telecom on behalf of the Department of Communications. Any new ABC service requires Ministerial permission to use broadcast facilities. The ABC cannot extend or change an existing service (such as deciding to relay Sydney radio station 2JJ to Canberra after midnight) without prior consultations between the Department of Communications, Telecom and the Minister.

The involvement of Telecom and the Department of Communications in providing transmitting facilities for the ABC requires the Corporation to consult with these agents. The ABC must also negotiate with the Overseas Telecommunications Commission (OTC) from whom it hires "the overseas program links and the international satellite relays through which some of
the domestic programs are distributed through space circuits" (Dix. Vol. 2: 675). The statutory responsibility of the Minister to provide transmitting facilities gives the government and federal bureaucracy direct involvement in determining the overall range, hours and medium (but not content) of ABC services; in extreme circumstances it provides the Minister with a means to silence the ABC by directing Telecom to withdraw ABC access to a transmitting station.²

Planning New Services

Section 111.c.1 of the Broadcasting and Television Act gives the Minister for Communications sole responsibility for planning the development of the Australian broadcasting system. The provision of a new ABC radio or television channel is therefore a political decision. The ABC must seek permission from the government and its agencies to establish any new service.

Planning the public sector of the Australian broadcasting system is initially the responsibility of the National Broadcasting Service Planning Committee (NBSPC), which comprises representatives from the Department of Communications, Telecom and the ABC. The NBSPC, which is chaired and serviced by the ABC, discusses proposals for future developments and draws up a 5 year plan. This is then put to the Minister for Communications. If the Minister approves then each stage of the plan is included by the Department of Communications in overall budget considerations. If Cabinet approves an individual project when it appears in budget papers, then a NBSPC drafting subcommittee, chaired by the Department of Communications, deals with the details of individual capital works and new stations (Watson, Blazow 1984). Mark Armstrong notes

²When the staff of ABC radio station 3ZZ threatened to continue transmission after their station was ordered to close by the federal government in 1977, Telecom technicians disconnected the 3ZZ transmitter to prevent illegal broadcasts.
The ABC has often fared badly in past planning decisions... There were said to be occasions when the ABC first learned it was to operate new stations through newspaper reports. These planning matters are often politically sensitive, because existing stations in an area may oppose the opening of a new station, and because a new station is often used as an electoral lure. (1982:108)

Thus ABC long-term planning is contingent on external decisions. The ABC, for example, has argued for some years that it needs a second AM national radio network to serve rural communities and remote areas which currently only receive ABC radio 3. That proposal was considered by the NBSPC, approved by the Minister for Communications and approved in principle by Cabinet. In a press release the Minister, Michael Duffy, said: "Introduction of the network was an election promise by the ALP and I am glad that in these stringent financial times we are able to honour this promise" (1983c:2). The 1983/84 federal budget included a specific grant of $200 000 for the ABC to begin work on the second network. The radio network, which will rely on the AUSSAT satellite to reach remote areas, will begin transmission in 1986. The ABC has failed, however, to convince the NBSPC or the Minister of its case for a second national television network. It has put up several proposals over the years, so far with no success - "we have nothing in principle and nothing in money" (Phillips 1984). There is no point in diverting significant resources into planning a second television network while the government remains indifferent to the proposal. New service proposals must wait for the federal government to make a specific decision to supply the funds and the transmitter before the ABC can begin serious preparation.

Accommodation

Planning difficulties are further complicated by the requirement of the Lands Acquisition Act (1955) that the Department of Administrative Services negotiate property leases and purchases on behalf of all government agencies, including the ABC. The Lands Acquisition Act requires the Department of Administrative Services to:
onsure that proposed property acquisitions by Commonwealth land users represent the best economic proposition available.

continually review the economics of the use and retention of individual properties by Commonwealth users.

assess the short and long term accommodation needs of Commonwealth organisations. (Dix Vol. 2:659)

The Act makes the Department of Administrative Services the "central authority for the allocation, use and review of Commonwealth office accommodation" (ibid: 659). When the ABC proposes to buy or rent accommodation, a submission must be lodged with the Department of Administrative Services. If approved, the issue must then be referred to the Minister for Communications if the deal will cost more than $500,000 or require the signing of a lease.

The ABC has argued that the need to obtain the approval of ministers and "the necessity to acquire the properties in the name of the Commonwealth under the Land Acquisitions Act and then to have them assigned to the ABC could be expected to lead to confusion and delay" (Dix Vol. 2:662). Its arguments failed to convince the Dix Committee, which endorsed a continuing role for the Department of Administrative Services in assessing and arranging ABC property (ibid:666).

The Dix Committee also endorsed the continuing requirement that only the Department of Housing and Construction should provide architects and builders for Commonwealth statutory authorities (ibid:668-669). The ABC had complained that the involvement of the Department of Housing and Construction in accommodation development was "slow, inflexible, and (does) not...provide the kind of buildings that were required for a rapidly expanding activity (i.e. Television) subject to short-notice and largely unforseeable changes of direction" (ibid:667). The Dix Committee, however, supported the efforts of the Department of Housing and
Construction to achieve "better value for money and consistency in the Commonwealth's overall public works activities". The Committee endorsed the role of the Department of Housing and Construction as "yet another means of bringing under formal parliamentary and governmental scrutiny the administrative activities of the ABC" (ibid: 668).

The requirement that the ABC work through the Department of Administrative Services in leasing new property and through the Department of Housing and Construction for new buildings and extensions remains in force. The provision that the Ministers of Administrative Services and Communications must approve accommodation contracts gives these government agencies a chance to dispute the ABC's judgement and so requires the ABC to consult before a proposal goes to the Ministers. These accommodation arrangements force the ABC to justify relevant decisions to external monitors and are a significant drain on the ABC's administrative resources.

The Commonwealth Ombudsman

The office of the Commonwealth Ombudsman was established in 1976 to investigate complaints about Commonwealth departments and authorities. The ABC understood this to include a right to review the ABC's administrative decisions but not the power to investigate editorial or programming decisions (Armstrong 1982: 102).

In 1981 a Perth man complained to the ABC, alleging misrepresentation on the current affairs television program Nationwide. Unhappy with the ABC's response, the man complained to the Commonwealth Ombudsman, Professor Jack Richardson. The Ombudsman's office found grounds for an investigation and requested the ABC to supply copies of all relevant files and make ABC staff available for interview if required.

ABC Chairman Leonie Kramer declined to co-operate, citing ABC legal
advice which suggested the matter to be outside the Ombudsman's jurisdiction; the ABC felt that "programming decisions are its sole responsibility and that any attempt to usurp that role threatens the independence of the ABC" (National Times 20 June 1982:5). The Ombudsman's *Fifth Annual Report* reported the ABC's refusal to participate but argued that the ABC's position was not supported with objective legal opinions from a responsible source... the interest displayed in excluding the Ombudsman from making enquiry into the subject of complaint was not matched by any acknowledgement that the complainant may have had a genuine grievance in writing to the Ombudsman. Independent legal advice confirmed the views about jurisdiction which I hold... (1982:14)

When the ABC threatened a legal challenge in the Federal Court, Prime Minister Fraser intervened by instructing the Minister for Communications to discuss the matter urgently with the ABC; Fraser was reported to be "extremely angry at the prospect of two government bodies wasting taxpayers' money in court to resolve a dispute between them" (National Times 20 June 1982:5). The issue, however, was not settled by the time the Commission was dissolved. In her last letter to the Minister for Communications as Chairman, Professor Kramer warned of the possible implications of the Ombudsman's claim: "At the heart of the question is how to maintain the ABC's traditional (and statutory) programming independence, while still recognising that the ABC should be accountable to citizens through bodies such as the Commonwealth Ombudsman" (1983d:2).

The *Australian Broadcasting Corporation Act* (1983) established ABC Corporation Community Affairs Officers, in each state and territory, to investigate complaints about ABC programs. If a complaint is upheld, the Corporation is required to broadcast or televise a "prompt retraction or apology in appropriate terms": details of the activities of the Community Affairs Officers are to be included in the ABC's annual report to Parliament.
Despite the creation of these posts, the 1983 legislation did not explicitly remove the ABC from the Ombudsman’s jurisdiction; nor did 1983 amendments to the Ombudsman Act (1976) exclude the Corporation’s programs from investigation. An Administrative Review Council report did not recommend restricting the Ombudsman’s jurisdiction. Hence the question of whether the Ombudsman has the right to investigate ABC programs remains "a matter of dispute" which may eventually only be settled by a court of law (McCloud 1984).

Administrative investigations by the Ombudsman are not challenged by the ABC. The Ombudsman can investigate a complaint about a decision of a statutory corporation and provide a ruling with recommendations for action. If the statutory corporation’s response is not satisfactory, the Ombudsman may report the matter to the Prime Minister and Parliament. The Ombudsman would argue that this role does not threaten the functional independence of the ABC; rather it is another means of ensuring ABC compliance with its enabling legislation and protecting ABC employees from arbitrary administrative decisions.

The ABC argues that a right to investigate program decisions may have implications for the ABC’s functional independence. ABC protests imply that referring specific program decisions to Parliament through the Ombudsman’s report could detract from the ABC’s independence. The Corporation fears that program-makers might seek to avoid possible proceedings, by exercising self-censorship when dealing with matters which might end up before the Ombudsman. At the very least it would be an

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3 The Sydney Morning Herald, on 27 June 1984, noted that the Commonwealth Ombudsman had begun investigations into the legality of the appointment of Geoffrey Whitehead as Managing Director of the ABC. The Herald alleged that unsuccessful applicants for the post of Managing Director had complained that not all short-listed candidates were interviewed and that a Board subcommittee – and not the full Board, as required by the Act – made the final decision. The complaint was eventually dismissed by the Ombudsman.
infringement of the ABC's right to produce its programs without external reference. As there has yet to be a ruling on a program matter such fears remain hypothetical. The ABC's concern, however, seems out of proportion to the likely consequences of the Ombudsman investigating program decisions. At the most the Ombudsman could conclude that an individual was unreasonably treated and request an apology or compensation. In this case the Ombudsman's role would be analogous to that of libel and defamation laws to which the ABC is already subject. The Ombudsman could only investigate a program already made and screened (assuming broadcasting is not prevented by court injunction): there is no question of the Ombudsman acting as a censor. Until the issue is resolved by one of the parties changing its position or a court ruling settling the dispute, the Ombudsman's role in ABC matters will remain uncertain.

The ABC's Bureaucratic Environment

The ABC does not have complete administrative independence. Not only are its activities under scrutiny from the legislature but it has a "continuing involvement" with a "considerable number of government departments, authorities, statutory corporations and instrumentalities" (ABC 1980:28). The constant demands for information from these government agencies have "placed an unreasonable strain upon the depleted ABC staff whose ultimate objective is, or should be, the provision of programs" (ibid:32-33).

The Dix Report argued that the ABC made too much of the difficulties of its bureaucratic environment: the ABC was wrong to "emphasise continually in dealings with government officials that it regards itself as a unique organisation and therefore merits special treatment" (Vol. 2:528). Instead the ABC must learn to stand on its own two feet in competing with other bodies for resources and in its dealings with the various elements of the Commonwealth administrative system: nevertheless, the Committee concluded with a warning that
the administrative controls which were originally devised essentially to facilitate resource allocation and priorities setting in the Commonwealth government sector generally may also be used to attenuate the editorial independence of the ABC if adequate checks and balances do not exist in the system. (Vol. 2: 79)

Despite this warning, the Dix Committee seemed rather sanguine about the functional implications of bureaucratic checks. The Committee did not share the feeling within the ABC that external impositions create an atmosphere of an organisation besieged: even if bureaucratic requirements were not being used to apply editorial pressure, ABC personnel could see the inherent potential. The following summary sets out in schematic form the issues and agencies involved in the ABC's macro setting, with comments on how bureaucratic procedures might have functional implications:

(i) Accountability

Agencies involved: Parliament, Minister for Communications, Department of Communications, Department of Finance.

Administrative Arrangements: ABC must present annual reports, budget estimates, and accounts for scrutiny. ABC subject to parliamentary review through committees or independent inquiries. A dissatisfied Parliament may alter the ABC's legislation or use the estimates process to change the boundaries of ABC activity.

Implications: Theoretically the ABC accounts to Parliament for its administration but makes independent program decisions.

(ii) Finance

Agencies Involved: Parliament, Minister for Communications, Department of Communications, Department of Finance, Auditor-General.

Administrative Arrangements: Annual budget. ABC puts a case to the Minister through the Department of Communications to be considered by the Department of Finance and then Cabinet. Parliament approves and monitors the budget allocation.

Implications: Budget process sets the boundaries of ABC activity;
estimates process has been used to close down a particular service (3ZZ), but not (at present) to cut out a particular program or individual.

(iii) Staff
Agencies Involved: Department of Employment and Industrial Relations (formerly the PSB), Department of Finance.

Administrative Arrangements: ABC is now free of the PSB but governments can use the budget estimates process to set ceiling on resources available for personnel.

Implications: Government cannot dictate who can be hired but can set overall limits on staff numbers.

(iv) Industrial Relations
Agencies Involved: Minister and Department of Employment and Industrial Relations, Arbitration and Conciliation Commission.

Administrative Arrangements: ABC 'consults' with Department of Employment and Industrial Relations, though there is no statutory requirement to do so. ABC is subject to national wage case decisions of the Arbitration and Conciliation Commission.

Implications: Ministers are advised about industrial relations but have no power to intervene.

(v) Transmitters
Agencies involved: Department of Communications, Telecom.

Administrative Arrangements: ABC owns its transmitters but the common usage transmitting stations are owned by the Minister and operated by Telecom. ABC must consult about use of transmitting facilities.

Implications: Government determines the nature and hours (but not content) of services. ABC must have ministerial approval for variations in use of transmitting stations. In extreme cases governments could 'pull the plug' on some ABC services.

(vi) Planning New Services
Agencies Involved: Minister and Department of Communications, Telecom.
Administrative Arrangements: Planning the broadcasting system is the responsibility of the Minister for Communications. ABC can make changes within its existing services but must receive ministerial approval for any new channel.

Implications: Sets boundaries; ABC must lobby the government for approval and resources for any new service. Commercial operators will be lobbying governments to restrict the role of the ABC.

(vii) Accommodation
Agencies Involved: Departments of Administrative Services and Housing and Construction. Minister for Communications must approve non-program purchases over $500,000 and the signing of new leases.


Implications: ABC resources diverted to meet bureaucratic demands. Ministerial control over sites of ABC facilities and purchase of ABC equipment.

(viii) ABC Purchases
Agencies Involved: Minister and Department of Communications.

Administrative Arrangements: ABC requires ministerial approval for non-program purchases over $500,000.

Implications: Need to lobby governments and retain favour of the Minister.

(ix) Complaints Procedure
Agencies Involved: Commonwealth Ombudsman's Office.

Administrative Arrangements: Jurisdiction to investigate administrative decisions conceded but jurisdiction on program matters disputed.

Implications: ABC claims potential threat to independence of its program-makers; ABC decisions referred by Ombudsman to Parliament for consideration.
(x) **Program Standards**
Agencies Involved: Australian Broadcasting Tribunal.

Administrative Arrangements: ABT maintains that it has some jurisdiction to rule on program matters for the national sector as well as commercial radio and television.

Implications: External challenge to ABC's right to make its own program decisions.

(xi) **Public Service Procedures**
Agencies Involved: Auditor-General, Administrative Appeal Tribunal, Department of Finance.

Administrative Arrangements: ABC required to comply with standard public service auditing methods, to participate in Freedom of Information procedures, to abide by AAT decisions, and to provide expenditure information to the Department of Finance.

Implications: Standard public service procedures based on government legislation: integrates ABC administrative arrangements with those of the wider Commonwealth public service.

(xii) **The Courts**
Agencies Involved: Australian federal and state courts.

Administrative Arrangements: ABC has to comply with different libel and defamation laws of six states and two territories.

Implications: Restrictive Australian libel and defamation laws a problem for all Australian media: limits scope of what can be reported by the Corporation.

Administratively, the ABC clearly is integrated into the Commonwealth public service: "whether it likes it or not...in dealing with public service rules and regulations the ABC is expected to perform as a public service entity" (Dix Vol. 2:558). This creates problems for an organisation which must abide by elaborate procedures to ensure continuing accountability while working within a broadcasting industry which fiercely competes for programs and talent.
The ABC continues to argue that it should be freed from many of these bureaucratic restrictions. Professor Leonie Kramer has warned of the drain the ABC's bureaucratic environment places on the efficient running of the organisation. She has spoken of administrative procedures which develop a life of their own and stalk the land like Frankenstein. Professor Kramer argued that the ABC is capable of maintaining its own affairs within resource limits set by Parliament: "In order to achieve the high standards it sets itself, the ABC needs in practice the administrative autonomy which in principle its position as a statutory authority guarantees" (Kramer 1983a, her emphasis).

Nevertheless, there seems little likelihood of a decline in the aggregate number of checks by government agencies on the ABC. Each individual check makes sense for the agency involved: few bureaucracies are likely to willingly surrender their jurisdiction over some aspect of ABC activity. The lacklustre performance of the ABC in the 1970s and a continuing reputation for poor management has maintained "unfocused suspicions on the part of government officials and members of the government and Parliament alike that whether from ignorance or design the ABC conceals more than it reveals about the cost and nature of its operations" (Dix Vol. 2: 559).

At best these bureaucratic restrictions will set the boundaries of ABC activity. The danger is that external procedures will infringe on ABC functional independence, either through consuming scarce resources, or more directly through impositions aimed at achieving editorial leverage. In the name of accountability to Parliament, the ABC has been left with little administrative independence; it must operate within a bureaucratic environment which threatens independent, impartial programming.
Chapter 2

THE ORGANISATION – ABC DECISION MAKING
2:1 THE AUSTRALIAN BROADCASTING CORPORATION ACT (1983)

Section 1 of this thesis examined the theoretical basis of public broadcasting statutory corporations. The Australian Broadcasting Corporation Act (1983) creates such a body. Through exploring the details of the current ABC legislation, this chapter sets out the legal framework within which the ABC must operate.

Control and regulation of broadcasting in Australia are a federal responsibility. Under its constitutional powers over 'postal, telephonic, telegraphic and other like services', the Commonwealth Parliament created the Australian Broadcasting Commission in 1932 to provide 'adequate and comprehensive' programs for all Australians. One piece of Commonwealth legislation, the Broadcasting and Television Act (1942), regulated almost the entire Australian broadcasting system.

The 1980 Committee of Inquiry recommended major changes to the ABC. The then L/NCP government decided not just to amend the existing Broadcasting and Television Act, but to draft an entirely new piece of legislation to deal specifically with the ABC. The subsequent Australian Broadcasting Corporation Bill (1982) was intended to replace the Commission with a Board of Directors and implement some of the Dix recommendations. The Bill was drafted by the Department of Communications, though many of its provisions were drawn directly from the existing Broadcasting and Television Act.¹ The legislation was still before Parliament when the Fraser government lost office.

¹Alex Blunden from the legislative team within the Department of Communications which drafted the ABC Act believes it "essentially an update of the old Broadcasting and Television Act. It is not a radical departure at all - but please don't tell the ABC that!" (1983)
In Opposition the ALP had been critical of some aspects of the *Australian Broadcasting Corporation Bill* (1982). The legislation was withdrawn and returned to the Department of Communications for re-drafting following the ALP's electoral victory on 5 March 1983.

Revised ABC legislation passed through Parliament on Thursday, 26 May 1983, and was proclaimed on 1 July. On that date the new Board of Directors took control, the assets and functions of the old Commission were transferred to the new Corporation and the ABC began operating under its new enabling legislation.

Despite some substantial changes the new legislation was "largely based on the Bills introduced last year by the former government" (Duffy *CPD* Vol. 131 4 May 1983: 187). The Minister's speech, and the debate during the passage of the Bill through Parliament, indicate a general consensus amongst Australian politicians about the goals, structure and legislative requirements of the national broadcasting system.

**Form of the Legislation**

The *Australian Broadcasting Corporation Act* (1983) is divided into eight major sections.

- The first defines the terms, interpretation and jurisdiction of the Act.

- Part II deals with the establishment, functions and management of the Corporation. It includes the Charter of the Corporation and establishes the Board of Directors, the position of Managing Director and the committees which provide audience advice to the Board.

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*The 'Complaints Commissioner' position replaced by the new post of Principal Community Affairs Officer; provisions against corporate underwriting strengthened; the 'no work as directed - no pay' provisions removed; changes to promotion appeal provisions and a requirement included that the new Corporation take into account the multi-cultural character of Australian society.*
- Part II spells out the duties and legal responsibilities of the Board and Managing Director. It provides for a disclosure of interests, the form the Board's meetings should take and the terms and conditions of appointment to the Board.

- In Part IV the powers and duties of the Corporation are established, with an emphasis on the responsibility of the ABC to provide an 'independent' news service and a prohibition on accepting advertisements or the corporate underwriting of programs.

- Part V deals with staff matters - tenure of employment, promotion, redeployment, retirement and discipline for ABC employees.

- Financial responsibilities and arrangements are the subject of Part VI, including the requirement for Ministerial approval for ABC estimates and the presentation to Parliament of an annual audit.

- Part VII is concerned with technical services and hands over to the Corporation some transmitters previously controlled by the Minister for Communications and Telecom.

- Finally in Part VIII various miscellaneous duties and requirements are specified. The Minister is given power to issue directives to the Corporation in the national interest, an annual report to Parliament is required and the office of Community Affairs Officer is established to deal with complaints against ABC programs.

The Minister for Communications promised that this new legislation would create an ABC with "a clear Charter, a modern structure and an effective business-like management. The new ABC should be well fitted to carry out its tasks for the rest of this century and beyond" (1983a: 4).

Legislative Aims (1) Defining Goals for the ABC

On May 4 1983 the Minister for Communications, Michael Duffy, told the House of Representatives...
Mr. Deputy Speaker, for years the ABC has suffered from the lack of an adequate definition of the role it should play in the Australian broadcasting system. Over the years, this has led to uncertainty in the organisation about which direction it should take... it is appropriate that Parliament should take this opportunity to provide that direction. (CPD Vol. 131 4 May 1983: 187-188)

The original Broadcasting and Television Act was ambiguous about the scope of ABC activities, specifying only that the Commission provide 'adequate and comprehensive' programs. The new legislation gives the ABC a Charter, based on the BBC model, intended to set out the aims and functions of the Corporation. The ABC is established, according to the Charter, to provide Australians with an "innovative and comprehensive" broadcasting service of a high standard. As well as education programs, the ABC should provide its audience with programs "that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of the Australian community" (s.6.1a.i).³

The ABC is also required by the Charter to broadcast programs outside Australia (s.6.1b) and to "encourage and promote the musical, dramatic and other performing arts in Australia" (s.6.1c).

These important services are to be provided within the boundaries established by the Charter (s.6.2). The ABC is obliged to "take account" of services provided by commercial and public stations and program standards set by the Australian Broadcasting Tribunal. The ABC is advised to provide a balance between programs of mass appeal and those of specialised interest. ABC programming should take into account the "multicultural character of the Australian community".

³Numbers indicate a section, clause and sub-clause of the Australian Broadcasting Corporation Act (1983), so that (s.6.2ii) refers to section 6, clause 2, subclause 2 of the Act.
None of these functions, however, are legally enforceable by a court (s.6.4). The Charter is only intended to remove "uncertainties" and give the ABC "clear directions for its future development and progress" (Duffy 1983a:1). In any case there is nothing in this vague Charter sufficiently certain to allow a court to rule on any breach. Nevertheless, FARB spokesman M. Hartcher, welcoming the inclusion of the Charter, said that though its provisions are not legally enforceable, "FARB feels it will be able to bring infringements of the Charter to the Minister's attention now that the ABC's role has been explicitly defined" (1983).

Legislated Goals (2) Independence

"This government is committed to maintaining a strong and independent ABC" the Minister told the House when introducing the Australian Broadcasting Corporation Bill (1983) (CPD Vol. 131 4 May 1983:187). One of his professed aims was to provide a legal basis for an ABC to fulfill its program functions without political direction. Duffy argued that the ABC should be free from government interference, though it cannot be independent of a Parliament which retains the right to alter its legislative base. There is, however, no guarantee of freedom from political interference written into the Act. It is the Board of Directors rather than the government which is charged with the responsibility to "...maintain the independence and integrity of the Corporation" (s.8.1b). The same section obliges the Board to ensure that the ABC operates "efficiently and with the maximum benefit to the people of Australia" (s.8.1a) and, more specifically, to "ensure that the gathering and presentation by the Corporation of news and information is accurate and impartial according to the recognized standards of objective journalism" (s.8.1c). Independence is here implicitly defined in the narrow sense of "freedom from bias" rather than "freedom from outside direction".

There are, furthermore, two important sections of the Act which tend to diminish the right to independence given to the Board. These are
Parliament's financial powers over the ABC, which will be considered separately, and the power of Ministers to issue directives to the ABC "in the national interest" (s. 78).

That governments might take an interest in the activities of the Corporation is acknowledged by a requirement that the Board "consider" any government policy referred to it by the Minister (s. 8.2). Having considered, the Board is free to decide that, taking into account its other duties and obligations, it cannot follow the letter of government policy. There is no compulsion on the Board. But as Stuart Revill told a Department of Communications conference, there would be considerable "political risks" for a Board which rejected a policy referred by the Minister (17 November 1983). When the Dix Committee originally proposed this clause, the Opposition Spokesman on Communications, Senator John Button, found the suggestion "quite astonishing" and unacceptable (1982: 17-18). Yet this provision appears in ABC legislation passed by a Labor government. It has yet to be formally invoked.

The power of the Minister to give program directions to the ABC is largely based on section 116 of the Broadcasting and Television Act. If the Minister decides that a "particular matter" should or should not be broadcast "in the national interest", then the Minister has the power to direct the Corporation accordingly (s. 78.1-2). The directive must be sent in writing to the ABC's Managing Director (s. 78.4), and must be tabled in Parliament within seven sitting days (s. 78.5). Any directive must also be included in the ABC's annual report to Parliament (s. 80a-8).

The power to issue directives has not been used since 1963. ABC Chairman Ken Myer described this provision as "incompatible with a democratic society": his comments were endorsed by the Minister for Communications, who told a media conference that the clause which gives the government power to direct what the ABC can or cannot broadcast in
the national interest is "a bit antiquated" (Sydney Morning Herald 14 June 1983: 3). The government, however, has not moved to amend the legislation.

The independence of the ABC is thus vested in a Board of Directors appointed by the government and subject to certain financial, political and national emergency limitations. Except for the power of Ministerial directive "the Corporation is not subject to direction by or on behalf of the Government of the Commonwealth" (s.78.6). No Act, however, could provide a legal guarantee of freedom from informal Ministerial pressures on the ABC.

Financial Provisions

Part VI of the Act outlines the financial powers of the Minister. The ABC's income is money appropriated by Parliament and paid to the Corporation in amounts specified by the Minister (s.67.1-2). The standard Commonwealth financial controls on statutory corporations require the ABC to prepare detailed annual estimates for Ministerial approval (s.69.1). "The moneys of the Corporation shall not be expended otherwise than in accordance with the estimates of expenditure approved by the Minister" (s.69.2). The practice of ministerial approval of estimates removes the financial independence supposedly granted by the 'three line' appropriation in the annual Commonwealth budget. The Minister has a legal right through section s.69 to shut down any part of the ABC's operations which appears as a separate item in the ABC's pre-budget estimates.

The Minister must also approve any contract "under which the Corporation is to pay or receive an amount exceeding $500 000" (s.70.1a) and any contracts to hire or lease property. This provision, however, applies only to capital works; the Minister cannot veto the purchase or production of any program material. Opposing the requirement for
ministerial approval of purchases over $500,000. ABC Chairman Myer claimed

He is also there to fight in the Cabinet for the funds for the ABC, because we still work on an annual budget appropriation and even if we get a triennial one he'd still have to fight with his Cabinet colleagues for our funds.

What I don't think his role is, but what it has been in the past and is under the present Act, is sitting down and having to authorise contracts of say $500,000...for items which have been included in the budget which has been approved by the...Board, been through the Department and gone through the Cabinet and the budget process. That, in my mind, is a total waste of the Minister's time and a total waste of my time and the Board's time and I don't intend to do it personally. (City Extra ABC Radio 23 June 1983)

Part IV of the Act, "Powers and Duties of the Corporation" specifies that the ABC's ministerially approved funds may only be spent on the performance of ABC duties (s. 25.1). The ABC may accept gifts but not "where it is likely that the independence or integrity of the Corporation would be affected" (s. 25.4). This prohibits the ABC accepting corporate underwriting or paid advertisements, though the ABC may advertise its own programs and merchandising activities (s. 31.1-2).

The ABC may raise capital from the sale of programs, records, literature and merchandising relevant to its operations (s. 29). It may charge admission to "any public concert or other public entertainment" (s. 28b). To the annoyance of Ken Myer, the first Corporation Chairman, the ABC is specifically prohibited from borrowing money (s. 25.2). The ban on borrowing against assets means the ABC must rely on the goodwill of Parliament to provide adequate funding: there is no mechanism in the Act for appeal against Cabinet's decision on the ABC's annual budget appropriation and no formula is written into the legislation to guarantee a minimum level of funding.

Surveying the financial provision affecting the ABC in the Broadcasting
and Television Act, which have been reproduced without substantial alteration in the new Australian Broadcasting Corporation Act. Mark Armstrong concluded:

The system of financial controls...of the Act brings the Minister, his Department and the Department of Finance into frequent propinquity with the ABC. This tends to rob the ABC of the independence conferred by the program sections. The standard financial controls imposed on the ABC have little regard for freedom of speech. (1982:104)

ABC Chairman Myer has called for amendments to the financial provisions of the Act. He wants the government to give the Corporation "...power to raise its own loans, invest money and set up subsidiary companies to be conducted on a commercial basis" ("The Guide" Sydney Morning Herald 15 August 1983:1). The government has promised to consider these requests. However, as a Department of Communications officer noted, Myer is trying to change specific government policy decisions: "Cabinet didn’t want the ABC involved in these areas" (Blunden 1983).

Accountability

The ideal statutory corporation is independent of the government of the day but accountable to Parliament.

There are a number of forms of accountability written into the Australian Broadcasting Corporation Act (1983). The ABC is accountable to Parliament through an annual audit and report, to the government through financial and direction provisions, to the public through Community Affairs Officers and Advisory Boards, and to ABC employees through a staff elected Director. In all cases it is the Board of Directors, as the representative of the body corporate, which has the responsibility to “ensure that the Corporation does not fail to comply” with the various provisions for accountability (s.8d).

Parliament requires from the ABC, as part of its annual report, an audit
conducted under section 63m of the *Audit Act* (1901). In addition, the report should include details of any Ministerial directives, particulars of any request from the Minister to consider government policy and notice of any action taken by the Board, particulars of any gifts to the Corporation and a summary of the activities of the Community Affairs officers (s. 80).

Financial accountability to the Minister is through the estimates process and the need for approval of certain contracts. ABC estimates must be presented to the Minister in whatever form the Minister directs (s. 69.1). The Minister can thus demand details of the cost of individual programs, though at present estimates are only required to give financial details under five broad categories of ABC activity.

The ABC is also held partly accountable to those whose interests may be affected by Corporation programs. Through section 82, the Act establishes Community Affairs Officers in each state and territory of Australia. These officers consider written complaints to the Corporation alleging errors of fact or invasion of privacy by ABC programs. If the officer deems a complaint justified, then the Managing Director has a duty to "ensure that the Corporation broadcasts or televises, as the case requires, a prompt retraction or apology in appropriate terms" (s. 82.5). The activities of the officers must be listed in the annual report. There has yet to be an upheld complaint.

The ABC is, of course, also accountable in the courts through the laws of libel and defamation. The original L/NCP *Australian Broadcasting Corporation Bill* (1982) created a statutory Complaints Commissioner outside the ABC with power to obtain information and documents, enter premises, examine witnesses and require the Board to publish findings in the form the Commissioner thought most appropriate. These provisions aroused considerable opposition: "The establishment of such a statutory position outside the ABC with broad powers to investigate a wide range of
complaints", said Michael Duffy. "smacks of political censorship" (CPD Vol. 131 4 May 1983: 189). The Complaints Commissioner provisions were removed when the Act was redrafted and replaced by the establishment of Community Affairs positions.

'Public accountability' is vested not only in the Community Affairs Officers but with a series of committees to advise the Board on ABC programming (s.11.4). The Act suggests, but does not require, that an Advisory Committee be appointed from each state and territory. Although they allow some public input into Board decisions on programming, the committees and the co-ordinating Australian Broadcasting Corporation Advisory Council have no legal power to override the Board on any matter. There are 100 people on ABC Advisory Councils across Australia, chosen by the ABC from public nominations. All participants work on a voluntary basis: some have complained to the Board that they are not being sufficiently consulted about major ABC decisions.

Finally the ABC Board is accountable to its staff through a Joint Consultative Committee, containing representatives of senior ABC officers, the ABC Staff Association and full-time ABC employees. The Consultative Committee 'considers' Board policy but again has no formal power. There is also a staff elected Director. The staff representative position was established in 1975. at which time Marius Webb from Sydney radio station 2JJ was elected. When his term expired in 1978, the Fraser government declined to hold fresh elections and the position lapsed. It was revived in 1983 when Duffy announced that one of the eight part-time Directors would be elected by ABC staff. In November 1983 Tom Molomby, a legal reporter and executive member of the NSW Branch of the ABC Staff Association since 1964, was elected from a field of six candidates. The staff-elected position, however, is not written into the Act. A future government may once again decline to continue the post.
Accountability is an abstract concept difficult to translate into practice: the problem is legislating for 'accountability' to Parliament without introducing the risk of political interference.

The ABC remains accountable to Parliament through its annual report and Ministerial representation. Parliament retains the right to change or abolish the ABC's mandate should it decide that the organisation has failed. Accountability to the public is more problematic. While a citizen may complain to the Community Affairs officer or sue for libel, no citizen can sue the ABC for failing to fulfil its goals. Accountability to the public can therefore only be through Parliament, with the risk that Parliament's legitimate interest could become an excuse for attempts to gain political advantage.

The Board of Directors

The Australian Broadcasting Corporation Act (1983) vests responsibility for the functioning, performance, independence and integrity of the ABC in a Board of Directors. The Board is to include the Managing Director, and not less than six nor more than eight other part-time Directors.

The duties of the Board include (s.8.1):

- ensuring that the Corporation's functions are performed efficiently and to the maximum benefit of the Australian people;

- maintaining the independence and integrity of the Corporation;

- ensuring that the gathering and presentation of news and information is accurate and impartial according to the recognized standards of objective journalism; and

- ensuring the ABC's compliance with the Act and other relevant legislation.

Non-executive Directors, including a Chairman and Deputy Chairman, are
appointed on a part-time basis by the Governor-General for terms of up to five years. One historic criticism concerns the appointment of people to the ABC with little or no relevant expertise. Section 12.5 attempts to alleviate this problem by specifying that non-executive Directors have experience in either radio, television, communications, management, a financial or technical field, or possess cultural or other interests relevant to the operation of a public organisation providing radio and television services. The requirement, however, is sufficiently vague to exclude very few. Most people have some ‘other interest’ relevant to the vast array of activities undertaken by the ABC.

The non-executive Directors are paid an honorarium determined by the Remuneration Tribunal (s.14). In 1984 this was $26,257 for the Chairman, $13,220 for the Deputy Chair and $8,823 for other Directors. All must disclose pecuniary interests (s.17). While normally tenured, Directors can be dismissed “by the Governor-General” for misbehaviour, physical or mental incapacity, bankruptcy or neglect of ABC responsibilities. Directors could also be removed by amendment to the legislation, though Prime Minister Malcolm Fraser was unsuccessful in his attempt to dismiss the entire ABC Commission by legislation in November 1976.

Use of a part-time Board to supervise an organisation is standard practice for Australian statutory corporations. Other than the vague requirements of ‘relevant interests’, (s.12.5), the ABC legislation does not specify any particular interest groups which must be represented. Despite some discussion within the ALP about ways of easing the risk of political appointments, no mechanism for a diversity of backgrounds and experience

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4 The Broadcasting and Television Act, which shaped the organisation until 1983, required an ABC Commissioner from each state and that at least one member of the Commission be a woman (s.31.2).
amongst Directors has been written into the legislation. The ABC must depend on the goodwill of the government to appoint a balanced and capable Board.

The Managing Director

While a part-time Chairman presides over the Board, the day-to-day running of the ABC is entrusted to a full-time Managing Director. The Managing Director is chosen by the Board on a salary set by the Renumeration Tribunal. If outvoted the Managing Director must "act in accordance with any policies determined, and any directions given to him, by the Board" (s.10.2).

The question of whether the chief executive officer should be a member of the Board has long been a contentious issue within the ABC. Previously the General Manager attended Commission meetings but was not a voting member. The new arrangements, with the Managing Director a full member of the Board, may tend to break down the traditional policy/administration split between the executive and ABC management. The change reflects in part Dix's belief that the ABC should be run more like a commercial enterprise and less along the Minister/public service model.

A Managing Director is appointed for five years and eligible for re-appointment, with an equal vote on policy issues as well as responsibility for managing "the affairs of the Corporation" (s.10.1). The Australian Broadcasting Corporation Act (1983) does not itself restructure the ABC, but the important change from General Manager to Managing Director invites a different approach to running the organisation. The considerable powers of delegation provided in s.24 enable the Managing Director to off-load much of the administrative burden in the interests of concentrating on policy matters. The Minister has spoken of the Managing Director being able to exercise "significant administrative powers in his own
right" (CPD Vol. 131 4 May 1983:188). The clause allowing the Board to over-rule the Managing Director may prove significant in the light of previous clashes between Chairmen and General Managers over their undefined spheres of power.

Staff Matters

The Act does not lay down the structure of the ABC - that is for the Board to decide. But the Act does set out in considerable detail the terms and conditions of employment of ABC staff. These rules may significantly reduce the options for restructuring, particularly the requirement to redepoly rather than retrench redundant staff. Mark Armstrong has noted of previous ABC legislation:

> The extensive provisions of the Act and Regulations are more a part of labour law than broadcasting law. They are similar to laws governing the staff of other Commonwealth statutory authorities like the Australian National Airlines Commission and the Overseas Telecommunications Corporation ... It has sometimes been said that the inflexibility of...the Staff Regulations affect the quality of the national service by their rigidity (and) their unsuitability to a creative undertaking. (1982:112)

The key aspect of Part V of the Act is the severance of all statutory links with the Public Service Board and, hopefully, therefore an end to the rigid structure, job categories and pay scales imposed by the Public Service Board since 1960-61. The Managing Director is now free to set salary levels and job classifications for all ABC officers and temporary employees. The ABC will, however, "continue to participate in existing arrangements administered by the Department of Employment and Industrial Relations for the co-ordination of industrial relations policy and practice in Australian government employment" (Duffy CPD Vol. 131 4 May 1983:189).

The new Act also removes staff ceilings imposed on the ABC during the late 1970s. The Managing Director may "appoint such officers and engage such temporary employees, as he thinks necessary" (s.33.1).
However, the ABC’s total wage bill is still part of the estimates requiring ministerial approval, and so could indirectly be used to enforce a staff ceiling. This clumsy and imprecise mechanism for limiting recruitment would operate if the minister imposed a limit in the estimates on the amount allowed to the ABC for salaries. Provision for staff ceilings is “never included in these statutory authority bills: it is always understood that the Minister will use the estimates process to control staff numbers” (Blunden 1983).

Though now out of the jurisdiction of the Public Service Board, the ABC must still adhere to the complex and, arguably, rigid set of staff rules contained in the Act. A Promotions Appeal Board, a Tenure Appeal Board and a Disciplinary Appeal Board are all established. Efficiency rather than seniority is to be the sole criterion for promotion. The new regulations do not alter the inability of the ABC to off-load redundant staff during economic difficulties. Except for proven cases of misconduct, ABC employees enjoy tenure of employment though not of any specific job within the Corporation. An employee no longer able to perform useful duties in one area must be redeployed to other “duties that he can reasonably be expected to perform” (s. 48). This clause goes against the ‘business’ approach suggested by the Dix Committee and must limit the ABC’s options for restructuring in case of further economic contraction.

In an attempt to improve the often unhappy industrial relations within the ABC, section 81 creates the Joint Consultative Committee to bring together ABC management, employees and unions. The Act does not specify what the Committee will actually do; that will be decided by the Board of Directors and decreed through regulation (s. 83.2).

Program Rules

In general the Australian Broadcasting Corporation Act (1983) does not specify the sort of programs the ABC should broadcast. It does note that
the ABC should seek balance between mass appeal and minority interest programs (s.6.2a.iii), should provide some multi-cultural content (s.6.2a.iv), and has special responsibilities in education programming (s.6.2a.v). The Act, however, also requires the ABC to take into account the services supplied by the Special Broadcasting Service (s.26). Presumably the ABC is intended to supplement but not duplicate the SBS's ethnic language programs.

There are, however, two services which the ABC is required by legislation to provide - current affairs and the broadcasting of Parliament. News and current affairs programs are an important ABC activity. Section 27 of the Act requires daily radio and television broadcasting of "regular sessions of news and information relating to current affairs within and outside Australia". From 1947 the ABC was prohibited from accepting local news from other professional services: this made the ABC "the only broadcasting organisation in the world to gather all its own domestic news" (Inglis 1983a:130). The Dix Committee recommended change to allow the ABC to use domestic wire services. This was opposed by the then Commission and by the ALP, which noted that "there are enough pressures operating in the news media to reduce diversity as it is, without encouraging the process" (Button 1982:34). Nevertheless the Labor government's 1983 legislation allows the ABC, for the first time, to take news from Australian Associated Press, the domestic wire service. ABC journalists opposed the original drafting of this clause, arguing that the Corporation would use AAP material to reduce its staff of journalists as a cost cutting measure - hence the addition of a provision that the ABC must ensure that it has "adequate" staff to collect and broadcast the news (s.27.2).

It is not the 1983 Act but the Parliamentary Proceedings Broadcast Act (1946) which requires the ABC to transmit the proceedings of the Commonwealth Parliament. Several hundred AM radio transmission hours
are occupied each year by broadcasts from both Houses of Parliament. The Joint Committee On The Broadcasting of Parliamentary Proceedings may also require television coverage of a joint sitting of both Houses, as it did in 1974. ABC personnel have been vocal in lamenting the disruption to normal programming caused by Parliamentary broadcasts, which normally attract less than 1% of the radio audience.

With the exception of current affairs and Parliament, the Act is concerned only to identify the audience the ABC must serve; it is for the Board and management to choose or make the programs which fulfil the ABC's charter.

There is one restriction implicit in the program rules which affects ABC television. The Act requires a national television network; it does not allow substantially different programming in each state, though the national network actually comprises separate state networks because of current terrestrial transmission technology. The "national" requirement prevents sub-networking and so restricts the ability of ABC-TV to cater for local specialised needs.

Powers and Duties of the Corporation

The Australian Broadcasting Corporation Act (1983) establishes the ABC as a body corporate, a legal entity which may sue and be sued (s.5.1-2).

Part IV of the Act formally sets out the powers and duties of the Corporation. The broad powers included are consistent those provided to other statutory bodies. The ABC can enter into contracts, acquire and dispose of real estate and personal property, erect buildings and structures, appoint agents and attorneys, act as an agent, and engage persons to perform services for the Corporation (s.25). In practice the ABC is required to consult with various government departments before it can exercise many of these responsibilities.
Section 25.6 gives the Corporation power to provide radio and television studios only "at such places as the Minister approves". This means that the Minister and Department of Communications will be involved in ABC planning and policy decisions on buildings and equipment.

Part IV of the Act allows the ABC to establish and maintain its orchestras (s.28a) and to generate supplementary income through merchandising (s.29). It does not, according to Chairman Myer, go far enough in giving the ABC the ability to compete in the marketplace.

**Technical Services**

One consistent ABC complaint has been that the transmitters which broadcast its services are controlled by Telecom. In extreme circumstances a Minister could 'pull the plug' on the ABC by denying it access to broadcasting facilities.

The 1983 Act contains a compromise on ABC requests for ownership. Ownership of ABC transmitters is transferred to the Corporation (s.75). The agreement of the Minister, however, will still be required before the ABC can establish any new transmitter (s.77). Ministerial approval is also required for the ABC to arrange permanent use of a satellite system (s.76). The Minister for Communications thus remains the crucial figure in the planning and provision of ABC technical and studio facilities.

When the Act was proclaimed, a dispute arose between the ABC and the Department of Communications over the definition of the word 'transmitter'. The ABC discovered that even where it is the sole user of a station, ownership was not transferred. As the Department interpreted the Act, a 'transmitter' "means only the 'little black box' which actually produces the signal, and not the 'buildings, land, aerial, wires or power source' by which is normally meant a 'transmitting station'" (Sibley 1983). The Department pointed out that the Act only requires transfer of ownership of
the transmitter: the Minister has the right, but not obligation, to transfer the whole station (land, buildings, aerial and all) if the Minister so chooses (s. 75,1). The dispute has been decided in favour of the Department. The ABC has been given ownership of its transmitters but not of the transmitting stations essential to operate them (Blazow 1984). The Department will retain control of these until directed otherwise. As Alex Blunden notes, this limited definition "was intended when we drafted the Bill": it was a "policy decision" which technically removes control over ABC transmitters from the Minister, though with effects which are more symbolic than real (1983).

Summary

The aim of the 1983 Act is to "provide the basis for the development of a sound and effective national broadcasting organisation" (Duffy 1983a:4).

While giving the ABC a Charter with a set of goals is a significant advance, the 1983 Act has not seriously addressed the problem of the ABC's independence being compromised by the demands of its bureaucratic environment. The Act changed the organisation of the ABC but did not substantially alter the existing institutional arrangements between the ABC and the federal government. The financial and administrative constraints imposed on the ABC remain in practice those applying to any government department. Cabinet still decides how much money the ABC receives annually. The ABC is not allowed to borrow against its assets or raise its own operating revenue. Continuing estimates procedures require the ABC to obtain Ministerial approval for how it spends its money, where it builds its studios, what capital work contracts worth over $500 000 it signs, which buildings it leases or hires and what new services it may establish.

The government thus retains the power of the purse. The Act rejected legislative options for giving the ABC a permanent income. On the one hand the Minister expressed enthusiasm for his Act modernising the ABC
but on the other denied it the certainty of funding useful for long-term planning. Without an assured minimum level of funds, the ABC has no legal guarantee that future governments will not repeat the financial cuts of the Fraser years. Without the option to off-load redundant staff it is difficult to see how the ABC could fulfil its requirement to be efficient in its use of resources should such cuts occur.

No piece of statutory corporation legislation can ensure autonomy - especially not one which puts the responsibility for independence on the Board of Directors rather than on the likely source of difficulty, the government. The Australian Broadcasting Corporation Act (1983) allows governments to use subtle bureaucratic pressure or issue directions in the "national interest" to influence a recalcitrant ABC. The Act does not give the ABC in practice the administrative independence which in principle its position as a statutory authority should guarantee it.
2.2 THE STRUCTURE OF THE ORGANISATION

Bureaucracy and Bureaucrats

The standard critique of the ABC is of an excessively bureaucratic and rigid organisation. An internal document described the ABC as "...a typical bureaucracy concerned principally with its own internal processes and transactions designed to perpetuate its own existence" (Media Management Report 1982:3).

Most ABC anecdotes are about ABC bureaucrats and their decisions. It is the people who occupy the offices and not the structure itself who are usually charged with goal displacement, inflexibility and stubborn resistance to change.

The term 'bureaucracy' has two dimensions. The first is an organisation, its rules and procedures. The second refers to the bureaucrats - the people who work within that organisation. Structure must be distinguished from management. The two are interrelated but separate. A bureaucratic structure is an ordered set of roles and offices with an agreed set of boundaries between itself and the outside world. The bureaucrats are the people who occupy those offices and roles and maintain the boundaries and character of this negotiated order. An assessment of the capabilities of managers cannot proceed an understanding of the structure within which they work.

Overview of the Structure

In the broadest sense, the ABC is organised into three levels:

1. A Board of Directors, appointed by the government, who formulate policy for the organisation.
2. ABC management, the senior permanent ABC employees responsible for implementing Board policy and administering the day-to-day running of the organisation.

3. Production units, responsible to the managers, who make programs for ABC radio and television and operate technical, merchandising and management support services.

This division of responsibilities, as Corbett notes, reflects the origins of statutory corporations in private companies: "the organisational chart of the typical joint stock company, with its shareholders, directors, managers and employees, was the only practical pattern for business success, public or private" (1965: 189).

As the ABC has expanded, however, this simple structure has become more intricate and lines of authority have become ambiguous. In particular, the structure has been complicated by the federal nature of the ABC. As well as Head Office, located in Sydney, the Corporation has - or is developing - branches in every state and territory. Most senior ABC managers work in Head Office in Sydney while production staff are scattered throughout the branches and offices. The common complaint from the branches is that "Sydney" (i.e. Head Office) makes important decisions about programming and resource allocation without sufficient consultation about the needs of local branches and audiences. These are the familiar difficulties of any federal organisation.

The implications of federal responsibilities for the structure are significant. The management hierarchy of Head Office is duplicated in miniature in each branch. The lines of responsibility are often unclear, particularly about resource allocation at the local level and about which matters must be referred to Head Office. The Dix Committee found that under long-standing ABC duty statements, a particular program produced in a branch (in either medium) could be the responsibility of any one of 7 different managers. Dix called this:
...a waste of resources, resulting in diffused accountability and lines of responsibility. If it were widespread, it could leave the impression with staff and outsiders alike that the ABC is an impersonal bureaucracy lacking any defined purposes, rather than a lively centre for the creation of quality programs. (Vol. 2:720)

Much of the correspondence between branches and Head Office is concerned with defining jurisdiction. Disgruntled staff in a branch may try to appeal over the heads of local management. When personality has been the crucial factor in deciding the relative strength of an office, the power balance between branches and Head Office has fluctuated. Head Office, however, has final control over resources and therefore it usually prevails.

In January 1984 ABC Managing Director Geoffrey Whitehead announced that financial and program responsibilities are to be delegated to the branches. This may reduce the power of Head Office and perhaps fundamentally change the power balance between Branches and Head Office within the organisation. The relationship between branches and the centre, however, is only part of the wider structural problems for the ABC.

The Dix Report On ABC Structure

In its submission to the Committee of Inquiry, the ABC included figure 2:2:1. This diagram makes the ABC structure look quite simple, by setting out three levels of activity - production and service units responsible to a management which in turn answers to the Board.

The Dix Committee found the reality behind the diagram anything but simple. The ABC’s line diagram, they concluded, “does not describe accurately the complex components of a large national organisation supplying highly varied end-products”. As the Committee wryly noted, discussions with staff “revealed that being an ABC ‘insider’ did not seem to make the task of understanding this complex organisation any easier than it was for us” (Vol. 2:709).
The Committee could not find a single ABC entity. Instead it identified at least four substructures, each competing with, as well as supporting, the others, each with its own set of assumptions about purposes and priorities. The four substructures were:

1. A federal ABC — Head Office and its branches.
2. A broadcasting or network ABC — programming the national radio and television networks.
3. A program specific ABC — the departments which produce ABC programs.
4. A technological ABC — the back-up organisation providing the equipment and technicians required to produce and broadcast programs. (Vol. 2: 711-717)

Dix felt that each sub-structure had its own lines of authority, its own administrative ethos and a management determined to preserve its autonomy from encroachment by the 'other' ABCs. While the Committee was correct in identifying tensions, even its scheme of four ABCs is too neat and arbitrary an identification of the division of the necessary functions. Many ABC administrators, for example, are part of more than one of these substructures and operate according to their own priorities.

Defending the intricate structure of the ABC, former General Manager Talbot Duckmanton explained that the required precision of broadcasting could only be met by a well-organised institution. The ABC, he said, was subject to the 'tyranny' of the clock and the calender. We can't be late with our orders. Our programs, right throughout the continent in four different time zones, must go to air on time. The ABC news, for example, doesn't begin five minutes late or one minute early; each bulletin begins precisely at the scheduled time and this happens 365 days a year and it doesn't happen may 1 point out, by accident. It happens because of inbuilt discipline within the organisation and because the allocation of resources, the staffing arrangements, are all geared to producing programs on the specified day at precisely the scheduled time. (1977:19-19)
The Dix Committee, however, was not so enthusiastic about the complexities which had grown up to meet the 'tyranny of the clock'. It noted that many of the ABC's management problems stemmed from a confused and complex structure. Senator Button later interpreted the Committee's comments on the structure of the organisation as a "damning indictment on those who have been responsible for the evolution of the present system" (1982: 21). In particular the Committee noted the failure of the ABC to adopt fully the implications of 'media management'.

In 1973 the Commission invited McKinsey and Co., an American firm of management consultants, to "undertake a general review of the management of resources available to the ABC" (Inglis 1983a: 330). The Commission sought a more rational way of organising the ABC. McKinsey traced the ABC's structural problems to 1956 and the introduction of television. The Commission had then decided against creating a separate structure for the new medium, preferring to absorb television into existing administrative arrangements designed for radio. The integration proven increasingly cumbersome and unsatisfactory. It was judged inadequate by McKinsey. Based on experience with the BBC, McKinsey recommended that the ABC be effectively split into two separate organisations - one for radio, the other for television. Head Office management would co-ordinate, leaving resource and program decisions to be made within each media structure. Each medium would become responsible for making, buying and transmitting all its own programs.

The shift to 'media management' (i.e. each ABC medium managing itself) was intended to break down centralised decision-making within the ABC. Resource decisions would now be made closer to where resources were consumed. Ultimately media management would make ABC senior management smaller and more efficient.

From 1974 the ABC began implementing McKinsey's recommendations.
Two departments, however, successfully resisted being divided between radio and television. News and Engineering, both crucial to the ABC's performance, fought long and hard to stay intact. The result was a compromise which resembled media management but did not have the advantages which might have followed full implementation of the McKinsey Report recommendations. With News and Engineering separate from the program-makers, the ABC required more senior bureaucrats to mediate and co-ordinate. The essential advantages of media management - less bureaucracy, a simple organisation structure and control of resources within each media structure - did not eventuate.

The reluctance to introduce full media management resulted partly from a hesitant senior management and mainly from entrenched interests which refused to co-operate. One senior ABC manager suggested that "when it comes to matters of organisational structure the ABC is appallingly illiterate...the McKinsey Report baffled senior management and I don't think they really understood what McKinsey was driving at..." (Newsom 1983). The Dix Report noted "...a lack of whole-hearted espousal of the shift of direction on the part of influential personnel: that there exist many uncertainties about the direction of change: that the changes have not been properly thought through" (Vol. 2:719). The Report noted the lack of a timetable for the complete implementation of media management. One former Commissioner alleged that General Manager Talbot Duckmanton had not wanted to implement the McKinsey Report, and so had introduced media management in "only a titular way at Head Office and in the states." The failure to implement the budgeting measures, which should have followed the creation of media managers in each branch, led to confusion about responsibilities throughout the organisation.

1 Much of Chapter 26 of the Committee of Inquiry's Report criticising ABC reluctance to accept media management was written by a senior ABC manager. John Newsom was then Director of Radio Resources and the ABC's liaison officer with the Committee.
A decade after McKinsey, following the criticism of the Dix Committee, the ABC renewed the attempt to sort out its structure by completing the switch to media management. A working group of ABC managers, staff and engineers was set up to advise on ways to achieve a media management structure. Their September 1982 Report was intended as a blueprint for post-Dix ABC structural changes, but instead the Report raised doubts about the viability of media management. It noted "... a view widely held in the organisation that media management is a concept superficially neat in appearance but in many ways only nominally life-like" (Media Management Report 1982:4). The Report argued that "within an organisation as large, diverse and complex as the ABC, it is not possible to take this philosophy fully to its logical conclusion" (ibid:7). Nevertheless the working group accepted the general thrust of McKinsey toward separate radio and television structures and recommended a long series of minor specific changes toward that end. The result was a partial devolution of programming and financial powers to media managers within each branch: one such media manager felt these changes, which created his post, left him "under-paid, under-recognised and under-consulted" (Hallstone 1983).

Following the abolition of the Commission and its replacement by the Corporation in July 1983, the new Board of Directors affirmed the 'media management' concept. In January 1984 Managing Director Geoffrey Whitehead announced plans to implement the original McKinsey Report recommendation by dividing departments and support services into radio and television divisions. The result, he hoped, would be more efficient use of resources and a less centralised organisation. The Whitehead reforms, begun in 1984, envisage a three-year timetable, with the ABC achieving its new structure in the 1987 financial year - a delay of 14 years since the McKinsey recommendations, during which the ABC's partial transition from an integrated structure to media management has increased
the administrative burden, confused lines of authority between Head Office and the branches and failed to alleviate "... the structural crisis which debilitates the organisation" (Aarons Scan 24 May 1983 original: 3).

Structural Problems For Managers

McKinsey, Dix and the Media Management working group all argued that the ABC's structure required drastic change: they stressed that the ABC should become less like a government department and more a flexible broadcasting organisation. This criticism recognized the possibility that capable ABC managers were being frustrated by an inappropriate structure.

Many critics have charged that the 'public service' arrangements of the ABC have been a major impediment to developing an efficient and flexible creative organisation. Semmler, for example, argued that constant changes in lines of authority produced a conservative and secretive bureaucracy (1981: 164). White described the ABC as a bureaucracy, with individual "empire-building" departments constructed as though they were "ready to repel invaders at all times" (1975: 79). Others drew attention to the 1960 decision by the Commission to request that the organisation be brought under the the jurisdiction of the Public Service Board (PSB), as the time when the ABC chose to identify itself as part of the federal bureaucracy rather than as part of the broadcasting industry.

The nexus with the PSB accentuated the tendency of the ABC to be run along the lines of a traditional government department. As jobs became classified in public service terms it became difficult to make structural change to the ABC without protracted negotiations with the PSB. When new positions were created to move an officer sideways (such as creating the post of Deputy General Manager to ὰλλος ὅτι οὐκέτα Solmmer), these offices became permanent parts of an increasingly complex and rigid structure. As the former Director of ABC Corporate Affairs noted, the result was the development of an '... administrative structure. The public
service system works on administration. An organisation like the ABC needs management and they're very different things" (Hartley 1983). The Dix Report suggested that the ABC had created its own problems by taking an inflexible government department structure into broadcasting, an area of exceptionally rapid change in public taste, competition and especially technology.

The ABC structure which emerged under the jurisdiction of the Public Service Board centred around divisions responsible for radio, television, Radio Australia, news services, engineering, management services and corporate affairs. This centralisation of responsibility created a considerable work-load for senior managers: all 22 senior divisional managers worked directly to the General Manager. In all, around 120 senior managers presided over the various activities of the ABC. Ex-Department Head Ali Ashbolt once delighted colleagues with his comparison of the ABC with a feudal state, where

...the Commission is a college of cardinals issuing moral edicts from time to time but where the General Manager is king, presiding over his chosen court and surrounded by an agglomeration of baronies and fiefdoms. All these manorial lords owe nominal allegiance to the Commission and the General Manager, yet nearly all pursue administrative and production policies which flow from their own inherited prerogatives, privileges and practices rather than from instructions passed down the hierarchical pyramid by the titular rulers. This seignorial autonomy is maintained partly because the princelings, lords and barons are willing to bend the knee to the monarch when the occasion demands, partly because they are closer than the Commissioners and top management to the procedures of program-making. But the limited autonomy of despots, often warring amongst themselves, hardly connotes freedom for the serfs. The result is that, despite break-outs here and there in the lower ranks, a conservative and authoritarian ethos pervades the organisation. (1975:192-193)

Bulletin journalist Bell carried this analogy further when describing power changes within the ABC:

Over the years, certain ABC departments have developed like
medieval fiefdoms. Their size, power, budget and influence have waxed and waned, usually according to the strengths and authority of their managers. News is a fiefdom that has lost power. Rural is one that has power, size and budget out of proportion to its pre-dominantly urban audience. Education is another whose growth has been untrammelled because it is sacrosanct. (1983: 59-60)

John Hartley argues that this ‘feudal’ ABC structure which developed under the jurisdiction of the Public Service Board was inappropriate. A quasi-government department could not succeed as an efficient and creative broadcaster. The influence of the PSB meant that "...the machine becomes more important than the product in so many ways because it is so intricate. It really does pay to play it safe in the ABC or in any government department’s operations" (Hartley 1983). The complexity of the structure enabled managers to avoid making decisions by referring them elsewhere; it produced a cautious management which in turn inhibited structural reform.

The complexity of structure created a hierarchy which took a life-time to ascend. In the early days of the organisation Charles Moses became General Manager of the ABC aged only 35. By the 1970s many people reached senior management positions only when within a few years (even months in some cases) of retirement. Such managers looked to a peaceful final job and so tended to play things by the rules. They found themselves, however, having to handle a heavy workload because of the centralisation of decision-making within the organisation. When a dispute arose, a complex hierarchy came into play. If a program being made by the ABC’s Department of Sport for radio 1 required more resources, the program-makers would first approach their Department Head. If the Head approved, a request would be placed with the Controller of Radio 1. The Controller would have to consult with the Director of Radio Resources and with other department heads if it affected budget allocations. A controversial or difficult decision might go to the Assistant Managing Director (Radio) and even to the General Manager.
All this took time. Meanwhile the producers were trying to get their program to air. A decision made at a senior level, with all the attendant delays, was handed down through this hierarchy. If the producers (or somebody else) appealed against the decision, then the whole chain had to reconsider the matter. Managers, however, did not just have to make program decisions. Collectively they had to consider resource issues, what programs would be made, when they would be broadcast, and the financial, personnel, legal, publicity and technical implications of decisions.

The ABC does not have a profit motive as a bottom line when deciding allocation of resources. In a commercial operation, if the producers of different divisions argue about who should get extra staff, an executive decision would be based on the relative contribution of those departments to the organisation's profit. The ABC, however, is a 'public service'. Any decision affecting program departments is therefore arbitrary and open to dispute within and outside the organisation. Without a profit criterion to determine relative importance, new resources tended to accrue to departments already controlling significant resources. Growth was incremental. Inevitably such a situation required a large management to arbitrate the frequent disputes between departments. Management, however, had its own interests and problems - hence disputes between networks, between radio and television and between divisions as each argued that its own activity was essential and under-financed.

This was the historic ABC - a structure of shifting alliances, constant power struggles and changing relative strengths presided over by a General Manager with his own interests to protect, and a Commission lacking sufficient information to intervene in the constant internal warfare.

To try and reduce internal fighting, the ABC experimented with its structure and management practices, or blamed its problems on external
events such as the staff ceilings and funding cuts of the Fraser years: it became "all too easy for management and staff to use the lack of money and lack of new equipment and facilities to justify glaring deficiencies" (Bell 1983:58). To stop the industrial disruption resulting from financial cuts, consensus management was attempted. In 1975 the ABC structure was altered to introduce a Board of Management (BoM) which would "enable senior management personnel to meet regularly on a formal basis to deal with matters of overall concern to management which flow across functional responsibilities and have, therefore, become of concern to the organisation as a whole" (Dix Vol. 2:740). Predictably the BoM, the embodiment of consensus within the ABC, became part of the power struggle. Staff argued that it was a "rubber stamp" for management decisions, while managers felt that staff did not understand the purpose of the BoM or the realistic limits of its influence.

The failure of consensus management was illustrated by the seven year demarcation dispute within the ABC over the introduction of electronic news-gathering cameras (ENGs). The ABC bought these new light-weight cameras in 1976 but was unable to use them because staff could not agree on who should operate the equipment. All management initiatives to resolve the dispute failed and it finally took a strike by ABC journalists in November 1983 to force the introduction of ENG cameras. Surveying the performance of ABC management in this matter, two industrial relations consultants concluded

The introduction of electronic news gathering equipment in the ABC illustrates the barriers to consensus-based consultation when the associated demarcation dispute reflects management's pursuit of its 'territorial' interests... if the ABC is to accommodate such technological change, it would seem desirable for it to develop more flexible organisational and job structures. It would also seem necessary for it to improve its decision-making and consultative mechanisms. (Jackson & Yerbury 1981:59)

In the later 1970s, with the financial constraints imposed by governments
and the difficulties of drastic organisational change resulting from the Public Service Board nexus, the ABC structure did not promote effective or efficient management. Former Chairman Professor Leonie Kramer defended the quality of the ABC's senior managers. Instead criticising the structure they had to work within as "...machinery inherited from the PSB arrangement which seems to have bred some bureaucracy of its own...with certain rigidities and attitudes toward staffing" (City Extra ABC radio 23 June 1983). The Corporation's first Chairman, Ken Myer, shared Professor Kramer's concern about an appropriate structure. After first surveying his new domain, Myer found the ABC to be "suffering from the legacy of 50 years of being associated with the public service. I expected it to be bureaucratic and so far...I have found it that way" (ibid).

The 1984 Structural Changes

The Australian Broadcasting Corporation Act (1983) removed the ABC from the jurisdiction of the Public Service Board. This followed a recommendation from the Committee of Inquiry and a request from the ABC itself. Freedom from public service rules and classifications gave the ABC an opportunity to develop its structure and staffing policies along more adventurous lines.

On 31 January 1984 the ABC Board announced details of the long-awaited restructuring of the ABC. The reforms aimed to reduce the number of management posts, complete the move to media management and reduce the number of managers working directly to the Managing Director. Instead of 22, only 9 positions now work directly to the Managing Director - the new executive directors for Television, Radio, Radio Australia, New Business Opportunities, Information Services, Human Resources, Finance and EDP, Engineering and Property and Concert Music. These executive directors have little line responsibility but concentrate on long-term planning and policy. They are appointed with
five year contracts and largely recruited from outside the organisation. Policy initiatives in the past have tended to come from management rather than the Board, and the appointment of these 9 executive directors may well increase the influence of senior managers over long-term ABC policy formulation.

Below the executive directors the top 120 management positions have been restructured into separate radio and television divisions. Only a small number of managers remain in Head Office in general organisational support functions. The long-term restructuring strategy is to delegate financial and program responsibility to these two media groups, thus decentralising ABC management. The initial reaction within the organisation to the restructuring, however, was less than enthusiastic. The 120 senior managers who lost their old jobs and had to compete for new positions were understandably despondent. So too were journalists and engineers who feared losing their status within the organisation when their departments were divided into television and radio components; once the changes became public “Whitehead faced hostility from within the organisation. He was, frankly, shocked by its vehemence” (National Times 19 October 1984:6). The Managing Director was reported as saying that “there are some elements within the ABC which didn’t want the re-organisation to work. There was an attempt to bounce me out of my job - I don’t think that’s putting it too strongly” (ibid:6).

Nevertheless, the Board intends to prevail in its three year plan to revitalise the ABC structure and implement full media management. The ABC Annual Report notes the Board’s organisational decisions:

...the Board adopted this new structure because, as far as possible, it wished to concentrate all the human, financial and equipment resources within the distinct radio and television divisions. As part of this process, the News Division will now exist separately in the radio and television directorates, while combining with the Public Affairs, Rural and Sporting Departments to become part of the Information Services group. The previously
integrated departments of Education and Music join Sporting and Rural in being split into radio and television groups. (1983/84:8)

Staff hostility to these changes resulted not only because traditional power bases and privileged positions within the ABC were disappearing. Some employees complained bitterly that Whitehead, born in Britain, was filling the ABC with his fellow countrymen. The *Sydney Morning Herald* noted the discontent, saying: "A few months ago leading Australian broadcasters were saying it would be unthinkable if the ABC did not have an Australian as Managing Director. But now the ABC has now not one, but three non-Australians in the top three jobs. And two of them had not set foot in the country before their appointment" (28 July 1984:35).

There is some special pleading in these complaints. The ABC has always recruited from Britain. Many of its best known personnel are British-born. These new managers had to compete with local managers for jobs and were not selected by Whitewood alone but by the Board of Directors. There is perhaps more force in staff complaints that the Whitehead reforms "substitute one bureaucracy for another more costly and bigger bureaucracy" (ibid:35). Certainly the Senate Estimates Committee was disturbed by the discontent within the organisation over restructuring:

Senator Peter Rae: ...Can you comment at all as to how long you think it will be before the disillusionment which has been created within sections of the ABC...will start to be overcome by the advantages of the structuring which you have undertaken?

Mr. Whitewood: I would say one to two years before we get a corporate loyalty. I do not think it will stop then by the way, but I think the situation will become different. I am prepared to be judged on what we have done at the end of the 1986-87 financial year. I would stand on that record.

(Senate Estimates Committee A. 4 September 1984:159)
Summary

Whatever the quality of those occupying ABC offices, the long-standing ABC structure has been a significant impediment to good management and to creative program-making. Managers were handicapped by a confused, fluid structure still in transition to media management. Entrenched interests prevailed over McKinsey recommendations for the separation of radio and television and for an ABC management which co-ordinated rather than supervised. The compromised and incomplete media management system

...confused the lines of authority, centralised power with Head Office and added more managerial positions to an already cumbersome structure. Staff claim media management has been superimposed on existing management rather than eliminating and substituting managerial roles. (Bell 1983: 63)

The Dix Committee found an ABC which had become "slow moving, overgrown, complacent, and uncertain of the direction in which it is heading despite the efforts of many talented and dedicated people who work for it" (Vol. 1: 1). The organisation, it said, "has come to prize its own complexity and inflexibility" (Ibid: 13).

The changes announced in January 1984 address many of the structural problems which have troubled the ABC. To pave the way for long-term devolution of responsibilities, the Board has instituted short-term centralisation. This enabled Directors to implement change from above and 'spill' its senior management. In the long run, structural change should end the confused responsibilities of managers by producing clear lines of authority within each medium. The Board’s decisions should reduce the dominance of Head Office, thus making ABC branches more responsive to local needs. There is, however, one significant impediment to the restructuring. Any complex structure can only work effectively if incompetent people can be removed and if staff and resources can be moved to areas of greatest need without internal obstruction from
departmental rivalries. The legislative requirement that redundant staff be redeployed, the difficulty of creating new posts to keep such staff busy, and the proven ability of ABC departments to hoard resources and obstruct change do not augur well for the Board’s structural reforms. The Sydney Morning Herald, surveying the Managing Director’s proposed changes, asked the big question: “Can Whitehead win or will the ABC bureaucracy’s seemingly infinite capacity to survive defeat him and the Board?” (4 February 1984: 33).
2.3 CENTRE-PERIPHERY RELATIONS IN A FEDERAL ABC

The ABC is a highly centralised organisation, its activities tightly controlled by Head Office in Sydney. For decades ABC branches have complained that they lacked the resources, authority and flexibility to cater for local needs, particularly with television. In January 1984 the ABC Managing Director, Geoffrey Whitehead, announced significant devolution of financial and program responsibility to the branches and territories in each Australian state and territory, as part of an ambitious restructuring of the ABC. Whitehead is attempting to reverse 50 years of power accumulating at the centre.

The Federal ABC

The Australian Broadcasting Commission was created in 1932 as a national radio service providing "adequate and comprehensive" programs for all Australians. Radio technology in 1932, however, was not capable of broadcasting one service across the nation. Time differences and the difficulties of sending programs interstate required six separate organisations each producing its own material and program schedules.

In the original federal ABC, individual state managers programed the local ABC radio service in accordance with general policy guidelines decided by the Commission. The Head Office of the ABC, located in Sydney,¹ could offer only limited co-ordination, mainly on administrative matters.

By the mid-1930s improved communications enabled material to be sent

¹Head Office appears to have been established in Sydney for no better reason than the availability of studios and that it was the home town of Charles Lloyd Jones, the first ABC Chairman.
interstate for national use, even if it could not yet be broadcast simultaneously. ABC Chairman Cleary and General Manager Moses used the new technology as the basis for a policy of 'decentralisation'. They disliked program production and scheduling by individual state managers and hoped instead to establish a coherent programming policy (Inglis 1983a:46). Head Office began appointing controllers to co-ordinate and produce material for a national service. From 1935 the activities of the states were closely directed from Sydney. As Inglis notes:

Managers in the states might well recall those earlier times wistfully, like barons cut down by the rise of a national monarchy, for their autonomy was much reduced by central administration and national planning. (ibid:49)

State branch autonomy was further reduced during the second world war by a renewed emphasis on the ABC's role as a 'national broadcaster'. Wartime censorship required centralised control over content. National and regional services were now planned from Sydney; branches inserted local material only of a type and at times specified by Head Office.

In 1942 an amendment to ABC legislation required that the Commission's Head Office "shall be established in the ACT on or before a date fixed by the Minister" (Broadcasting and Television Act s.30.4). The seat of government had moved to Canberra and it seemed that ministers wished to maintain close wartime controls on the ABC by having it nearby. The ABC was given a huge site on Canberra's Northbourne Avenue but successive ABC managers resisted pressure to leave Sydney. In memos and submissions to public inquiries the ABC dwelt on the high cost of moving to Canberra and the disadvantages of separating central administration from program-making (Inglis 1983a:200, Dix Report Vol. 2:709). In private, ABC officials emphasised the dangers of being too close to the seat of government and the intrigues of Canberra's bureaucratic politics.

Because no minister fixed a date, the ABC's Head Office remained in
Sydney. The Canberra clause does not appear in the 1983 ABC Act, despite the recommendation of the Dix Report that it be maintained. As a result the ABC’s Canberra complex remains “a modest structure with the most spacious ABC car park in Australia” (Inglis 1983a:200).

**A National ABC Television Network**

In 1956 television was introduced to Australia and the ABC given permission to establish a national television network. At first there was no effective method of recording and relaying programs for simultaneous interstate transmission. Managers in the state branches thus had a “virtually independent station”. In a brief restoration of the authority they once enjoyed over ABC radio (ibid:199).

A new process of ‘federalism’ accompanied increasingly sophisticated equipment. Some national programming for television became feasible with the introduction of videotape in 1962 and the installation of coaxial cables between capital cities. As the ABC developed its own copying and production facilities, more television material was produced in Sydney and copies flown to the states for transmission.

In 1970 ABC engineers acquired the technology to send a television program ‘live’ to all states simultaneously. The achievement was celebrated by a nationally broadcast show on 8 July 1970. The new credit, ‘An ABC National Network Production’, signalled to state branches that Head Office would from now on centralise program production and scheduling (ibid:294).

**The Current Structure**

Though the ABC has kept its federal structure, and promised a return of responsibilities to the states, the organisation remains dominated by Head Office. Most material is produced or bought in Sydney and all television and radio services are co-ordinated from there. ABC Head Office
administrators have an expression for branches with few resources and little autonomy—they call them BAPH states, an acronym for Brisbane, Adelaide, Perth and Hobart.

The national ABC television network is programmed in Sydney, with only limited production and input from local stations—mainly news and weather. ABC radio is divided into four domestic networks, all co-ordinated by Controllers in Sydney. Radio 1 is produced in the capital city of each state. Radio 2 is a national service from Sydney. Radio 3 is the rural service, a mixture of material from networks 1 and 2. Radio 4 is the ABC's FM service, produced in Adelaide but controlled from Sydney.

Control of news, engineering and support services are all based in Head Office. State managers (now called State General Managers) were once amongst the most influential positions in the ABC. In theory they are still responsible for everything that happens within the branch. In practice program, news and engineering decisions are made in Sydney and conveyed directly to the branch media managers. The General Manager of a branch has become a symbolic leader left to handle administrative, personnel and public relations duties. These include overseeing the operations of the ABC's six state symphony orchestras. Many General Managers complain of little to do (Balodis 1983): ABC spokespersons deny that the position of state General Manager has become a "pointless post", but concede that the activities of General Managers "depend on their own initiative" (Grant 1983).

Dix has argued that the ABC needs "a management presence in localities where political power in the federal system is concentrated" (Vol. 2:711). Yet their performance suggests that ABC branches are, to some extent, expensive anachronisms. Semmler notes that despite massive equipment investment, BAPH branches
... verge on being white elephants. The fact is that program policy, content and planning are rigorously controlled from Sydney. State managers, theoretically in control of their branches, have little or no program autonomy ... state managers are largely figureheads and public relations officers within their bailiwicks. (Semmler 1981:59-60)

Semmler concludes that the ABC suffers from an "ill-defined federal-state relationship". There seems little ambiguity, however, about the centralisation of control and resulting centre-periphery tensions within the organisation. BAHP branches argue that centralisation reduces the ABC's effectiveness at a local level. Head Office justifies its dominance by pointing to a legal obligation to provide a "national service".

With four radio networks the ABC has some scope for providing information of interest to a regional radio audience. ABC television, however, has serious problems catering for specialised rural audiences. The ABC has only one national television network, and the requirement that it provide a "national service" effectively prohibits sub-networking on a state or regional basis. Thus the ABC's television service in Sydney and Melbourne, where there are four other channels to choose from, is the same as that offered to rural communities where the ABC is often the only television service available.

ABC programming must cater for both rural and urban audiences at the risk of satisfying neither. An inability to use more local material makes ABC television often unresponsive to the particular need of a specialised audience. BAPH states have the facilities to produce local content but are rarely given the opportunity. Former General Manager Talbot Duckmanton was putting on a brave face when he justified this centralism as a long-term attempt by the ABC to overcome state parochialism:

Operating in such a large country, we have sought to provide the nation with a shared experience which no other communication system can supply. This is why initially we concentrated on national networking....In recent years we have sought to strike a
balance between the value of information and entertainment shared in common by a national audience with the need to give time to regional interests. And it’s not an easy balance to strike! Our different states have different interests and in each state capital the ABC has established facilities to make radio and television programs for state use and for contribution to the national schedules. Again, within each state, there are regional offices making programs and compiling news bulletins for their own areas - areas which are often small in population but geographically enormous - in some areas up to 250 000 square miles. (1975:14)

Despite Duckmanton’s enthusiasm for BAPH resources and services, there is considerable branch resentment of central control - a feeling within the states that their equipment and talent is being underutilised.

The Allocation Of Resources to Branches

Details of branch staff numbers, equipment purchases and production expenditure are decided by Head Office. A manager from Head Office explained that “targets are set for production within each regional unit to prevent duplication of national services” (Muldoon 1983). A branch General Manager on the receiving end of these targets noted “we are given a sum and told how many staff we can have… the budget comes from Head Office and we administer it in the states” (Grahame 1983). The annual allocation follows an informal bidding system where branches put up estimates and proposals, though with no guarantee they will be accepted.

Branches enjoy little discretion in the use of their budget: they cannot reallocate large sums according to local priorities without permission from Sydney. The Queensland branch, for example, currently faces a serious lack of accommodation. The branch General Manager has consistently complained to Head Office, but thus far unsuccessfully: “I do not have the budget or the power to go out and buy or even substantially refurbish a building… I must consult the management group in Sydney - I can’t make expensive decisions unilaterally” (Grahame 1983).
The ABC will not release figures on the budget appropriation for each branch, though clearly the bulk of resources are consumed in Sydney. Only staff distribution figures are available. In June 1984 the ABC employed 6,598 staff, distributed by branch:

<table>
<thead>
<tr>
<th>Branch</th>
<th>Percentage of Total Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head Office (includes NSW)</td>
<td>42.7</td>
</tr>
<tr>
<td>Victoria</td>
<td>19.2</td>
</tr>
<tr>
<td>Queensland</td>
<td>8.9</td>
</tr>
<tr>
<td>South Australia</td>
<td>8.0</td>
</tr>
<tr>
<td>West Australia</td>
<td>7.0</td>
</tr>
<tr>
<td>Tasmania</td>
<td>6.8</td>
</tr>
<tr>
<td>Radio Australia</td>
<td>2.4</td>
</tr>
<tr>
<td>ACT</td>
<td>1.5</td>
</tr>
<tr>
<td>Overseas</td>
<td>0.8</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>0.9</td>
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(ABC Annual Report 1983/4:74)

Resources within the ABC are thus heavily concentrated in Head Office. Though the ABC retains a federal structure, power is not shared but remains vested firmly with the centre.

Centre-Parishory Relations Case Study: Queensland

The ABC’s Queensland operation is the largest of the BAPH branches. 587 full-time staff operate a local radio network (radio 1), three regional networks (radio 3) and insert blocks of news into the national service (radio 2). Queensland material is also produced for local insertion and for the national television network: approximately 15% of ABC Queensland television air time is local branch content.

Within the Queensland ABC branch there is a widespread belief that it

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As at June 1984 the 587 full-time staff were deployed: television 95, radio 107, orchestra 72, administration 61, management 3, news 65, engineering 102 (ABC Annual Report 1983/84:74).
has been ‘forgotten’ by Sydney, that Head Office does not pay sufficient attention to the particular needs of Queensland. Talented local people are frustrated by a lack of production opportunities and resent a perceived dominance by the ‘Sydney bureaucracy’.

The ABC’s Queensland General Manager, Charles Grahame, has overall responsibility for the branch. He nominally controls the state directors of engineering, news, media managers for radio and television and an executive officer. The precise lines of responsibility, however, are ambiguous. The media management division requires the Queensland officers in charge of radio, television, news and engineering to report directly to Controllers in Sydney on matters of policy and programming. They report to the branch General Manager only on staffing and administrative matters, where Grahame acts as a “sort of court of appeal”.

The Queensland General Manager acknowledges “confused lines of authority”. He confines himself to looking after the ABC’s “corporate entity” in Queensland and leaves specific program matters to the media managers. This “looseness about defining authority” works in Queensland, suggests Grahame, because of his good personal relations with his media managers: “We understand our particular sphere of responsibility”. He foresees difficulty, however, for the current branch structure if those relations were not so friendly - a sentiment echoed rather bitterly by one employee critical of the administrative arrangements of ABC branches, who complained that “an organisation can’t be run on good will”.

The Queensland media managers - Bob Hailstone for radio, Rory Sutton for television - both describe the office of General Manager as a “title without power” and see their loyalties lying with their Controllers in Sydney.

3Observations are based on fieldwork in Brisbane in May-June 1983. Where quotes are sourced it is with the permission of those interviewed.
rather than with their local branch manager. Queensland programming must be acceptable to Head Office rather than to the Queensland General Manager.

Both Queensland media managers are critical of the way "media management" has been implemented and its effect on the branch structure. Hailstone suggested that the ABC has created media managers without giving them sufficient responsibility for resources, a support substructure or adequately defining their lines of authority. This has created confusion amongst staff and potential tension between senior branch management. Sutton believes the media management concept has been "implanted on top of an already crumbling system".

All Queensland managers complain of a lack of resources. They feel they have no flexibility to manage their responsibilities. At the same time many complain that Sydney does not negotiate with Queensland before making decisions which affect the branch. One Queensland television producer blamed the "tyranny of distance" between Brisbane and Sydney for the lack of meaningful consultation - "If it's o.k. in Sydney, everyone here has got to lump it". Proposals to buy new equipment are "rejected if Sydney hasn't got one"; yet without the new equipment BAPH states cannot compete with their Brisbane commercial competitors because local ABC productions "always look slightly antiquated".

This lack of opportunity for local talent is a common complaint within the branch. There was some bitterness that limited resources restrict BAPH states to unambitious "shoe-string budget" productions. One frequent suggestion was that the BAPH states be allowed to specialise. Many managers cite the example of the BBC's Bristol branch, which is highly regarded for its wildlife documentaries (known in the trade as 'furries') and is able to attract appropriate talent and resources. Sutton believes Queensland ABC TV could ideally produce good light entertainment and
specialist documentaries in its large television studios, but it would require an additional $10m to upgrade production facilities. At present Queensland ABC television has some $20m worth of equipment. "In terms of routine productions we can justify our existence but we are not getting the maximum production value we could" said Sutton. Some production staff were not so kind, suggesting that studios and equipment were often idle.

The Media Manager for Television in Queensland concluded that his branch could not enjoy much "autonomy" while locked into a national television network, directed from Sydney, with very little scope for local initiative.

ABC radio appears to offer more opportunity for Queensland content - perhaps because it is less capital intensive and has more outlets constantly demanding new material. Radios 1 and 3 are programmed in Brisbane, though they draw on interstate material. The ABC Queensland Media Manager for Radio, Bob Hallstone, talked of his considerable independence in programming Queensland radio but also of a need to be in constant touch with the Controllers in Sydney. His main complaints were a lack of staff and an inability to divert resources or employ extra staff without referring to Head Office.

The need for radio to be responsive to local needs provides opportunities not present in television. This is particularly important for the the 'western line', the radio 3 regional service broadcast to a vast area of inland Queensland. There is no television available at present to much of the outback, so the western line resembles Australian radio of the 1950s, with quiz shows, plays and country dance hours. The first Australian domestic communications satellite, to be launched in July 1985, will provide outback Queensland with television for the first time. New technology may once again encourage ABC 'federalism'. 
Many people within the Queensland branch complain of a "lack of support from Sydney" and time wasted dealing with bureaucrats from Head Office over the phone. The Media Managers both claimed to have been, on occasion, "hideously let down by Sydney". When resources had not been available they had taken unpopular decisions. When the result was a threat of industrial action by Queensland ABC journalists, Head Office had "suddenly found the money" and local management had been made to look petty. Rory Sutton complained that Sydney avoided making unpleasant decisions, often leaving the branches unsure about current policies, while another manager felt that Head Office only backed branch managers on popular decisions: "but if it's a tough decision Head Office doesn't want to know about it and says that it is a local decision. This makes for conservative management because the branches have little trust in the support of their senior managers in Sydney". The skills developed by "Sydney bureaucrats" in avoiding responsibility often caused confusion and endless delays at branch level. This was described as "management by attrition" by one Queensland producer, and as "crisis management" by another.

By contrast local managers claimed to consult staff then make firm, quick "unbureaucratic" decisions. Certainly the industrial relations record of the Queensland branch appears good in comparison with that of NSW or Victoria.

**The Queensland Branch and State Politicians**

Pressure from state politicians was not an issue within the Queensland branch. Many were genuinely puzzled when the subject was raised: nobody could think of a single serious attempt by a local politician to influence ABC reporting. The executive producer of the Queensland edition of *Nationwide* said he had "not ever experienced political pressure at a state or federal level". He reported receiving no more complaints from politicians than from the public at large about *Nationwide* stories.
Some managers attribute this absence of political pressure to their own skills at handling the occasional irate Minister or Leader of the Opposition on the telephone. Others, perhaps more plausibly, point to the difficulties of anyone in Queensland being able to lean on an organisation as centralised as the ABC. Most ABC programs originate or are produced under direction from Sydney. Program makers in Queensland are responsible to Controllers in Head Office and can always channel complaints to their superiors outside Queensland. There is no point a state politician applying pressure to the ABC's General Manager when that person has no editorial responsibilities. Queensland Premier Joh Bjelke-Peterson has, on occasion, sent the ABC Board telegrams protesting against Head Office decisions affecting ABC operations in his state, but with no noticeable result.

There are few sanctions a state government could exercise against a Commonwealth instrumentality such as the ABC. In Queensland, where the ABC is often the only media available to vast areas, no government could afford to boycott this important link with the electorate.

Case Study No. 2: The 1983 Four Corners Controversy

An outlying state government may have difficulty influencing ABC programming or policies because of the centralisation of ABC decision-making in Sydney. The situation might be different if a NSW government were involved, particularly one of the same political persuasion as the federal government.

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4 On 8 June 1978, for example, ABC General Manager Talbot Duckmanton received a 2 page telex from Premier Bjelke-Peterson, protesting about "reports of proposed major alterations to the role and times of ABC news both nationally and in Queensland". The Queensland government was keen to ensure that ABC news and rural programs were not "altered and made subject to entertainment". The Premier was critical of commercial and ABC current affairs programs, concluding that only the 7:00 pm ABC news could be relied upon to be "balanced" and "impartial". His telex was distributed to ABC Commissioners but not included on the agenda of Commission meetings discussing long-term changes to ABC news and current affairs programs.
On Saturday 30 April 1983 the ABC current affairs program *Four Corners* reported on "The Big League". Included were allegations that the NSW Labor Premier, Neville Wran, attempted to influence a court case involving Kevin Humphries, then executive director of the NSW Rugby League. Humphries had been discharged on nine counts of alleged misappropriation of $52,519 from the Balmain Leagues Club in 1977.

Wran described the charges as "totally false" and issued a writ against the ABC for defamation (*Sydney Morning Herald* 5 May 1983: 1). The then ABC Chairman, Professor Leonie Kramer, defended the decision to screen the program as being taken "without fear or favour". The ABC, she said, "had acted independently and impartially at all times" (ibid: 1).

The Premier at first declined to hold a judicial inquiry into the charges. Only when the Australian Democrats threatened an independent Senate inquiry did Wran relent and announce a Royal Commission into the allegations. The whole matter then became sub judice.

At the time of the program Wran was President of the Australian Labor Party, which had won federal office only 3 weeks before. His criticism of the ABC was supported in the Commonwealth Parliament by Senator John Button, who questioned the integrity of Professor Kramer. Button's intertemperate attack was not well received by the commercial media and caused the new national Labor government considerable embarrassment.

On 28 July 1983, nearly three months after the *Four Corners* program, the NSW Royal Commission reported. It cleared the Premier of all allegations but found a prima facie case on other claims against Kevin Humphries and former Chief Stipendiary Magistrate Murray Farquhar. A jubilant Premier held a press conference to announce his vindication. He refused to answer questions from an ABC reporter, Geoff Sims, and vowed to continue his defamation action against the ABC, saying
... the ABC did a most disgraceful and wrong thing to me.

And do you think the ABC can be like Pontius Pilate now and wash its hands and walk away from what it sought to do to me?

The ABC, in a most malicious way, set out to hurt me.

(ABC-TV National News 28 July 1983)

The ABC had not been afraid to make allegations about a NSW politician even at the risk of upsetting a new federal government. The Hawke government supported Wran in the Commonwealth Parliament, though probably at more cost to government credibility than to the ABC.

At the time of the controversy the Commonwealth Parliament had been considering the Australian Broadcasting Corporation Act. There was considerable speculation that, as a result of this controversy, the government would not appoint Professor Kramer to the new Board, despite her evident enthusiasm for a place with the Corporation. When the legislation was passed and the new Board announced, on 9 June 1983, no serving Commissioner was retained.

The 1983 ABC Bill required the appointment of a new ABC Board in any circumstances, so it is impossible to tell whether Professor Kramer's public support for the screening of the Four Corners program cost her the Chairmanship. Given the considerable distrust within Labor circles for the Quadrant right-wing intelligentsia with which Professor Kramer was identified, it is unlikely that she would have been a favoured candidate at the best of times. Asked about whether the Four Corners program had cost her the Chair, Professor Kramer replied: "Probably not I think. I had a feeling before that I probably would not continue to be on the Board" (PM 9 June 1983).

Throughout the dispute all sides gave at least lip service to the need for
an "independent" ABC and denied they had any interest in changing ABC policy. Federal government involvement was largely confined to verbal attacks, which Professor Kramer handled easily. Beyond the outcome of any court actions, there is no evidence of state or federal sanctions being taken against the ABC for its allegations against a state Premier. The media are so much a part of the political system that, having made his gesture, the Premier resumed speaking to ABC reporters at his next press conference.

Summary

The ABC is a federal structure with highly centralised decision-making. This upsets ABC branches who feel they have inadequate resources and cannot act without the permission of the "Sydney bureaucracy". It is not surprising that branches, particularly those upset by the BAPH syndrome, tend to be highly critical of the administrative abilities of ABC Head Office.

In spite of branch criticisms about the allocation of resources and staff, ABC programming does provide some balance between local and national needs, though with an undoubted emphasis on national information. This reflects the ABC's mandate to encourage a single Australian identity. Many Head Office managers argue that this overriding function, Duckmantlton's "shared experience", is not fully understood by those who work in ABC branches.

As a consequence state politics usually do not feature prominently on ABC news bulletins. ABC current affairs programs prefer national and international analysis. This policy reduces the reasons and scope for attempted intervention in ABC affairs by state politicians. In the Australian federal division of powers the ABC is firmly part of the Commonwealth sector, beyond the interest or grasp of most local politicians. In turn the ABC is rarely an issue in state politics; in the exception of the Wran controversy it was the ABC which intervened in a state matter.
This centralism is not always popular with the ABC audience in the BAPH states. Holroyde has argued that the ABC

...suffers greatly from a fundamental indecision about how to interpret its own self-proclaimed role as the main national service. It certainly does not see the nation as being equally made up of its constituent parts, but neither as radiating outwards from its own headquarters. Speaking as one from Western Australia, and having already drawn your attention by implication to the fact that broadcasting is largely a question of one-way traffic, it is plain that the ABC does not find it easy to live up to the very fine objectives it proclaims. It is clear to many, I believe, that the future for the ABC must include far greater decentralisation, and that its national image could be measurably enhanced by recognising that Australian talents are nationwide. (1980:38)

The reforms announced on January 31 1984 are intended to delegate responsibility within the ABC, following a review of all financial and staff delegations to state branches. The new arrangements will take several years to become effective, as the new media management structure emerges and the role of Head Office is reduced. Whitehead has said that ABC operations in each state can only be efficient if there is "greater responsibility, but, at the same time, greater accountability" (ABC 1984a:1). Whitehead hopes to reform a structure which, to an outsider, "makes little sense; it seems designed to promote segmental and territorial boundaries and state jealousies and blockages" (Mayer 1980:551).
2.4 THE BOARD OF DIRECTORS

Responsibility for the efficiency, accountability, integrity and independence of the Corporation is vested by legislation in a Board of Directors.

There are nine members. Seven, including the Chairman, are part-time Directors appointed by the government. The others are ABC employees - the Managing Director and a Director elected by Corporation staff.

The Board normally meets for one full day each month, though its subcommittees may meet more frequently. At each meeting the Board considers an agenda prepared by management, reports from senior ABC staff and policy papers prepared by Directors or their Secretariat. The venue is rotated around Australia.

Directors and the Public Interest

The ABC began in 1929 as a private company with a Board of Directors representing the interests of shareholders. In 1932 the company was purchased by the federal government and became a statutory corporation, a device used in Australia since colonial times to place certain activities under public control but beyond ministerial direction in day-to-day matters.

The new Commission retained the structure of a company, with a part-time Board formulating policy for management and staff. Board members, however, found it difficult to define their role following the change to a statutory corporation. Commissioners were no longer selected by shareholders and no longer responsible for an output as unambiguous as 'profit'. Commissioners were now appointed directly by government. Because they were not professional broadcasters, Commissioners could play only a limited role in many of the technical and programming issues
confronting the ABC. With few precedents to guide them, Commissioners began searching for a new raison d'etre. They found it in the language of the Governors of the BBC, and soon followed British practice in calling themselves "trustees of the public interest" (Dix Vol. 2:89), concerned with preserving within the ABC the "moral and social values to which our community subscribes" (Duckmant 1966:271).

The concept of a 'public interest' is a justification but not an explanation of the purpose and activities of a Board of Directors. Since becoming a public corporation, the Board of the ABC has always been appointed by governments, not the public. Directors have been chosen as regional or interest group representatives - not elected, but selected for their expertise, social standing, or ideological outlook. The public have no sanctions against the Board. They cannot vote Directors out of office, nor apply electoral pressure for a change in policy (the statutory corporation is specifically designed to prevent governments influencing Board policy). Directors have no special access to 'what the public wants' and no special insight into what will benefit the public.

The phrase 'public interest' is nevertheless a neat formulation for official ABC literature. It implies intense deliberations on matters of high policy and an ability to objectively judge what will best serve all Australians. The expression appears often in speeches by ABC Chairmen to community groups and the National Press Club. Beyond its rhetorical use, however, the concept of Directors working for the 'public interest' explains little about the routine activities of the Board. Instead it enables legislators to hand responsibility for the Corporation to a Board without having to precisely define their role. As Tom Burns notes, the vagueness of a concept such as 'public interest' gives the phrase immense practical utility. It delivers legislators from "...the labour of enunciating principles, of designating precisely how these principles are to be applied" and of "defending their decisions by reasoned argument" (1977:28).
'Public interest' can be a convenient fiction. No legislation for the ABC or Charter for the BBC has ever quantified the 'public interest' nor detailed what Directors are intended to do in a statutory corporation. Legislators prefer to speak in the broadest possible terms, leaving Boards to decide for themselves how involved to become in the activities of their Corporation.

**Defining the Role of the Board**

Corporation boards traditionally define their roles by drawing upon a distinction between policy and administration. In this simple model, derived from the operations of government departments, boards formulate 'policy' to be implemented by an impartial career management.

In practice however, the boards of public corporations may need to intervene in a range of administrative concerns. In broadcasting, for example, ABC Boards discover that their organisation generates technical and program issues which combine with questions of taste and balance to present complex problems. There is no unambiguous dichotomy, no neat division of Corporation issues into policy and administrative components. Almost any problem can be defined as requiring either policy or administrative solutions, so that ultimately, as in many other large organisations, "the line between a policy-making group and a solely executive group cannot be clearly drawn...where does policy-making end and execution begin?" (Duckmanton 1966:272).

Boards have limited time, expertise and interest. They must chose the level of their involvement in decision-making. Some Boards are content to set long-term goals while others try to direct every aspect of an organisation's activities. Each Board must decide for itself at what stage intervention is required; the policy/administration dichotomy and the 'public interest' concept are both too limited to guide Boards about the optimal level of involvement in the organisations' affairs.
Faced with arbitrary decisions about the depth of their involvement, ABC Boards have turned to other organisations for guidance. Ken Inglis identified three models which have influenced the thinking of ABC Boards about their role - comparison with the government minister, the council of a university or school and the directors of a public company (Inglis 1980a: 18-21).

The ministerial analogy embodies the traditional policy/administration dichotomy. It was best expressed by Richard Boyer when he was Chairman of the ABC in 1957:

I have always felt that the relationship of the responsible body of a corporation to its permanent executive is precisely that of a Minister to his departmental officers. (ibid: 19)

It was a model used by General Manager Talbot Duckmanton, who preferred to work to the ABC Chairman as though the Chairman were a Minister and Duckmanton the Secretary of a Department (Hackett 1982). The comparison between the activities of a Corporation Board and a minister has been also discussed in Britain, where the 1951 Beveridge Report on the BBC commented:

From the same analogy with the Minister follows the conclusion that the (Directors), collectively, must be completely masters in their own house. They cannot, any more than a Minister does, themselves undertake the daily work for which they are responsible, but they must have the unquestioned right to look into every detail as a Minister has and like a Minister they must be prepared to defend or correct every detail. (quoted in Burns 1977: 30)

Lord Beveridge's Report suggested that BBC Governors "themselves undertake the function of the Minister, that of bringing outside opinion to bear upon all the activities of permanent staff, of causing change where change is necessary, of preventing broadcasting from falling in any way whatever into the hands of a bureaucracy which is not controlled" (Wedell 1968: 113). Beveridge was influenced by BBC Chairman, Lord Simon, who
told him that it was "simply not feasible to draw any line between 'policy' and 'day-to-day management'" (Burns 1977:31).

There are, however, significant differences between a Corporation Board and a Minister (beyond the difficulty of working out where the actual Minister fits into this model). A Board does not have the sources of policy advice nor the responsibilities of a Minister. The Board of the ABC is not intended to be political; it must be seen to act impartially, to 'serve all Australians'. In return a Board does not have to face Question Time and, provided it acts within the law, is not directly accountable in the way a Minister is responsible to Parliament.

Australian governments are elected on a platform of promises: a minister brings to office a party policy to be implemented. The ABC Board does not have this electoral mandate to carry out particular promises. Directors do not arrive with ready-made positions on the questions they will face. They rely on ABC management to indicate where policy decisions are needed. The interaction between policy and administration draws the Board into a closer working relationship with its career management than is permitted by the divisions of responsibility of the traditional Westminster ministerial role.

Academics who chair statutory corporations sometimes use a different model to define the level of Board involvement. They draw on their experience with a university or school senate. Leonie Kramer, Professor of Australian Literature at Sydney University, found the university analogy "quite a good guide" during her term as a Commissioner and ABC Chairman. She saw the ABC as "a bit like a giant Faculty of Arts with a very large school of sociology" and found a similar sort of people in universities and the ABC, with a similar relationship between administrators and broadcasters: "you hear the same sort of criticisms in both" (1984).
This is a non-interventionist role, with the Board protecting the organisation while interfering as little as possible with the creative work over which it presides and for which it provides resources (Inglis 1980a:20). One BBC Governor compared the Board’s role to that of the governors of a British public school, “cherishing it but keeping in the background, and certainly not having any say in the school curriculum or in its management” (Burns 1977:29). Such benevolent supervision reduces the scope for Board intervention if major administrative or structural changes are required. It assumes a certain degree of competence in management and creative staff, for as ABC Chairman Darling noted, this type of Board “…could hardly be expected to control or even supervise the day-to-day management… (it has to be) concerned with policy matters and general responsibility rather than control of staff and programmes” (Inglis 1980a:19-20).

A third model available to help a Board understand its role is the public company. The Directors of a public company set goals and start asking questions if these are not achieved; otherwise they rely on their professional staff to make day-to-day decisions. Directors actively monitor management’s performance, and are prepared to intervene in administrative arrangements when these appear unsatisfactory. The boards of public companies usually work part-time and often include people with a broad knowledge of the field but no direct experience of the operations of the particular organisation. The chief executive of a company is usually a Board member.

The first Chairman of the Corporation, Ken Myer has stated that he

...sees no difference between the ABC and any other corporation except that the ABC is wholly owned by the taxpayers - they are the shareholders. It (is) up to them to be more demanding in the ABC’s accountability. (The Bulletin 5 July 1983:33)
Myer's comparison of the ABC with a business organisation raises the difficulties of the 'public interest' concept. The Directors might think of themselves representing the taxpayer, but how is that taxpayer to force accountability? Dissatisfied shareholders can vote out the Directors of a company; the taxpayers cannot dismiss an ABC Board which is appointed by Cabinet and funded through compulsory taxation.

These three models posit different levels of Board involvement in the activities of the organisation. They are useful guides for Directors who must make judgements about the most appropriate way to work for the 'public interest'. But though the behaviour of Directors may be based on one of these models, the precise role of a Board will be defined in practice by the personalities and experience of its membership.

**Board Activities**

Whichever model of involvement prevails, certain activities are common to all ABC Boards. The ABC *Submission To The Committee of Review* listed these as:

- initiation and examination of major program and other policies, objectives and plans:
- progressive evaluation of approved policies, objectives and plans:
- evaluation of the service to determine whether adequate and comprehensive programs are being provided:
- formulation and examination of annual estimates of expenditure:
- review of relations with relevant staff bodies:
- allocation of time for party political broadcasts in pre-election periods and decisions regarding the right of reply at other times:
○ appointment of senior staff:

○ purchase of major items of equipment and program series:

○ relationships with departments, other authorities and broadcasting organisations:

○ progress of industrial, legal and property matters:

○ review of reports from Advisory Committees and attendance at their meetings:

○ informing itself about the views and opinions of the Australian community in various ways including meetings in cities and regions other than Sydney:

○ setting aside a part of each meeting specifically for discussion about programs and programming in television and radio.

(ABC 1980: 4)

Ken Inglis has summarized these as concerns with staff, finance and programs (1980a: 21). The first Corporation Board has included a fourth major activity - extensive long-term planning.

The Board participates in selecting some senior ABC staff and members of the Secretariat: the previous Commission had responsibility for about 30 senior appointments and for overseeing industrial relations.

The most important appointment is that of the Managing Director. The successful applicant becomes an ex officio Board member and has direct responsibility for the ABC's day to day running. The Managing Director is responsible to the Board for the structure of management and supervision of senior staff. The Board has stressed that this sensitive post is not a government appointment. Chairman Myer emphasised the duty of the Board to make its own choice:

The decision will be made by the Board and by nobody else.
It is not the responsibility of the government nor will the government nor the Minister be consulted. They will be advised when we have made the appointment. (City Extra ABC Radio 23 June 1983)

In financial matters the Board must approve estimates of expenditure prepared by management before the figures are sent to Canberra. A survey of Commission papers from the late 1970s indicated little detailed discussion of financial matters. Every meeting received memorandums on rates of expenditure and budget forecasts, but while expenditure on a specific item was often raised, Commission minutes suggest that the overall allocation of resources within the ABC was rarely discussed. Even in the first months of 1976, when the Commission had to cut $8.4m from the ABC’s budget, information supplied by management seemed sketchy on the costs of established projects.

The first Corporation Chairman has been highly critical of the ABC’s financial monitoring systems and, by implication, of the financial performance of the outgoing Commission (The Bulletin 5 July 1983: 33ff). A detailed critique of the Commission’s financial supervision was contained in a memo Richard Boyer sent to fellow Directors on 25 July 1983. Boyer noted perception of the ABC as “inefficient and wasteful” (1983: 1). He concluded with recommendations for “complex and sweeping changes” to the financial systems used by the ABC. Boyer argued that the Board must become more involved in deciding and monitoring internal resource allocation and use. It would no longer do to concentrate on lobbying Ministers for the largest possible budget allocation and then leaving its dispersal to ABC management.

The Board’s involvement in program matters is more problematic. Public broadcasting Directors do not usually want to be censors. As government appointees, Directors do not feel they have a right to dictate what may or may not be seen. The Chairman of the BBC told the Annan Committee
that "programming presented incredibly difficult problems for the Board to get to grips with. He did not think it was possible for the Governors to form guidelines, and the most that the Board could do was to build up a sort of case law, built on the Governors' reactions to programs" (Inglis 1980a:22). His Board would watch programs referred to it by management, but preferred to set only broad parameters for program policy. Professor Leonie Kramer was more explicit: "I don't believe the Chairman of the ABC should be a censor" she told the Canberra Times during a Four Corners controversy (5 May 1983:1).

That incident, the screening of a Four Corners program alleging interference in the NSW judical system by the Premier, invited Board members to consider their own positions. One person later appointed as an ABC Director, Wendy McCarthy, concluded that she disagreed with the broadcasting of some of the Four Corners allegations but would not have contemplated censorship:

I may not agree with everything that goes to air. But that is not my direct responsibility. It's the job of the department head or program producer. I would not interfere. I'm very clear about my role and it is not to make programming decisions. Yes. we as a Board are ultimately responsible to Parliament for the way things go at the ABC. But our job is to make sure that we appoint people who have the judgement and sense to make the right decisions. After that we have to leave it to their professional judgement and back them. (National Times 13 January 1984:10)

In an age without social consensus on 'good taste' or 'standards', few people happily make judgements about suppressing material. Boards prefer to set guidelines and stay out of arguments about the merits of particular programs.

Instead the first Corporation Board has concentrated on its fourth objective, long-term planning for the organisation. The lack of what the Dix Report quaintly labelled 'forward planning' was blamed by that
Committee for many of the failings of the ABC. Chairman Ken Myer, drawing on his business experience, announced that the top priority of the new Board would be to establish a "long-term corporate plan" to set goals and priorities for the ABC ("The Guide" Sydney Morning Herald 15 August 1983:1).

Long-term plans require guaranteed capital. This has been hampered by the system of annual appropriations, through Boyer argues that the ABC has used its fluctuating annual income as an excuse for not planning and so "made a rod for its own back" (1983:5). Myer has lobbied the government for the right to borrow money from the public through bond subscriptions of the type already used by Telecom and state utilities. A corporate plan underwritten by this capital would address personnel and resource issues and so influence the type of programs produced by the future ABC. Such a plan, outlining ABC allocation of resources and long-term capital and operational financial commitments, has been under development since mid-1983 and will be implemented during 1985, when it will become the basis for all future ABC internal budgeting.

The Agenda

The Board must achieve its staff, financial, program, and planning priorities in 12 meetings a year, though Directors may consult more frequently in subcommittees and by telephone.

Meetings are attended by the Directors (including the Managing Director), the Board secretary, and the head of the ABC's Information Services, who is a permanent observer. Directors may also invite senior ABC officials into the room when they have a specific inquiry. The agenda is prepared by the Corporate Administration Office, which is part of the ABC's Corporate Affairs division. The Corporate Administration Office collects information ABC divisions want to go to the Board and prepares any information requested by the Board.
In the past Commissioners have complained that so few meetings and such a large agenda allowed them little time to do more than react to management initiatives. David Williamson resigned in 1978 after a few months on the Commission, because he found it a "...rubber stamp for the top management" on which he could have no influence (Williamson 1982). Dr. Earle Hackett, on the other hand, found Commissioners could have some influence if they carefully scrutinized each management proposal (Hackett 1982). He agreed, however, that most Commission policy originated from ABC management. Professor Kramer shares Hackett's view. She was disappointed with Williamson, feeling that he had not understood the role of a Commissioner or the division of responsibility between the Board and management: "a Commissioner should not expect a personal achievement out of what is basically a corporate body" (1984).

The first experience of a Director is the sheer weight of papers to be read, commented on, understood. ABC Director Wendy McCarthy found that after a short while on the Board her house contained two floor to ceiling bookshelves full of paper: "the soft swishy thud of heavy duty envelopes at the front door every evening is part of the daily ritual" (1984:8-9). Every month, about a week before the next Board meeting, ABC Directors receive a thick dossier containing an agenda and supporting papers. The Board does not release its working documents or minutes for public scrutiny, so any analysis of Board procedures depends on extrapolating from the experience of the Commission. Though the Corporation Board has put more emphasis on long-term and corporate planning, and has some support from a Secretariat, it shares with its predecessor the sort of pressures and formats which influence Board meetings and decisions.

The minutes of a typical, uncontentious Board meeting might resemble those, for example, of Commission meeting no. 523. This all-day meeting was held at Broadcast House in Sydney on Wednesday 18 October 1978, commencing at 9:30 am.
After endorsing the minutes of the previous Commission meeting, the morning began with ABC Chairman J.D. Norgard presenting an oral report on his activities over the last month. These included a meeting with the Minister for Posts and Telecommunications to "discuss financial, staffing and administrative constraints placed on the ABC". The Chairman concluded by relaying a request from the ABC Staff Association that its representatives meet with the Board to consider the future status of the staff elected Commissioner, a position then about to lapse. The minutes record that "a vote was then called for and a majority of Commissioners voted against admitting the Staff Association representatives to the meeting".

Following the Chairman's address, documents were tabled. These included correspondence with the Minister and government departments, as well as letters from politicians and various interest groups.

Next the ABC General Manager, T.S. Duckmanton, gave a long oral report on current ABC activity. Much of this was administrative, though Duckmanton also touched on the operations of Senate finance committees, accusations of bias in programs and industrial disputes within the ABC. The General Manager was followed by the Assistant General Managers for Radio and Television, who outlined developments in their areas. The minutes suggest that all managers were heard in silence, with no discussion of their reports.

General reports were followed by a brief financial statement, outlining current and expected expenditure, and then by consideration of technical and financial questions concerning purchases, staff vacancies and accommodation. A number of administrative decisions were made: the Commission endorsed appointments to a Promotions Appeal Board and upheld the General Manager's decisions on several staff rule appeals. Reports labelled "items for information" were distributed but not discussed.
What must have seemed a long a tedious meeting concluded with "other business", this month comprising a brief reply by the General Manager to a question about whether in a hypothetical case ABC staff would be breaking program guidelines. The meeting concluded before 6:00 pm so that Commissioners could catch planes back to their home states.

This one day meeting considered a large range of management reports and endorsed decisions made by the Chairman and ABC management. Program matters were considered only peripherally. The minutes suggest a briefing for Commissioners about various issues rather than a decision-making forum. The only major area discussed in any detail was the future of staff representation on the Board, and any decision was deferred until further consultation with the Minister and the ABC Staff Association. Commission meeting No. 523 followed the standard, crowded ABC agenda: with so much information to absorb and so many items to work through there simply was not time for in-depth discussion of issues. Complex issues were either settled by the Chairman, referred to Board sub-committees or left by default to management to resolve: Wedell argues from the British experience that Directors in fact play a largely passive role - because they are trustees, power devolves to management (1968: 127-128). Certainly the complexity and number of issues the Board has to consider and the nature of the Board - part-time, inexpert and often lacking knowledge about financial matters - makes it difficult for Directors to get on top of their agenda and question management decisions with any confidence. These are the structural limitations on time and information which have frustrated so many ABC Boards.

The Board appointed in 1983 planned to use sub-committees to deal individually with issues; they hoped such committees would solve the problem of their predecessors, who complained that the pressure of work meant they "tended to be putting out bushfires rather than dealing with issues" (Boyer 1984). Sub-committees were set up to deal with key
policy areas, with regular reports back to the full Board. The Board Secretariat, it was hoped, would support these sub-committees by providing detailed position papers. Though important work has been done, it would appear that not all sub-committees were successful. After a flurry of delegation the Board returned to more frequent full meetings. This suggests some disharmony on the Board about priorities: it also strengthens the hand of management because issues can never be dealt with by a large group of people with a full agenda in the same detail that a small specialised team with more time can achieve.

The Secretariat

The 1973 McKinsey and Company Report into the ABC recommended that Commissioners be assisted by papers from “one or two young, high potential people who are analytically inclined” (quoted in Dix Vol. 2:100). The Dix Report went further in suggesting a permanent research division at an annual cost to the ABC of around $100 000 (ibid:100).

The result is a Secretariat to provide Directors with “independent research and analysis on broadcasting and corporate matters” (ABC 1983b:9). The Secretariat, initially established as a two year project, includes a Director, Co-ordinator, administrative staff and 5-8 contract research officers. Staff are chosen by a committee comprising the Secretariat Director, the ABC Managing Director and some Board members. The role of the Secretariat is to write papers on “specific areas where the Board wants to establish a policy” (Bennett 1984). It is interesting to note that ABC officials feel the Secretariat does not overlap with the activities of management because management “has never prepared policy statements for the Commission” (Bennett 1984).

The Secretariat Director is responsible directly to the Board though, when appointed, Judi Stack promised the "closest co-operation" with ABC management. Even before the Secretariat began in January 1984 it had
become a focus of controversy. The *Sydney Morning Herald* of 31 December 1983 quoted Stack criticising the ABC for screening too many "irrelevant" British programs and catering "by and large" for the "upper-middle-class Anglo-Saxon elite". A host of angry correspondents disputed Stack's assertions and despaired of the Secretariat achieving anything if this were to be its level of analysis. J.R. Ross even offered a Clerihew on the ABC's new priorities:

Ms Stack of the ABC's Secretariat
Plans programs for the Aussie proletariat.
No more BBC. Betjeman or Berlioz
(sadly in memoriam).
We expected better things
from the Myer emporium!

(*Sydney Morning Herald* 16 January 1984: 6)

Secretariat Director Judi Stack likes to describe herself as a "bit of a radical" with duties resembling those of the court jesters of medieval kings - being charged with criticising and advising those in power with a freedom allowed no one else (*UNSW Alumni Papers* October 1984: 2). This function - or any hint of radicalism - is scarcely evident, however, in the work of the Secretariat, which has restricted itself to management support by writing long papers on staff matters and options for radio policy. In doing so it has failed to address the wider issues and functions for which it was created - to assess management proposals and offer alternative strategies. Under Stack's direction the Secretariat appears to have become part of management rather than an independent source of policy advice to the Board. The Secretariat is due to be dissolved at the end of 1985.

**Appointments to the Board**

During debate on the *Australian Broadcasting Corporation Bill* in May 1983, the Member for North Sydney, John Spender, told the House:

One realises that it is in the composition of the Board that the
rock is to be found on which the integrity of the ABC is to be set, and if that Board is not impartial, if that Board is not impeccably neutral, not only may the ABC become the subject of political interference but it may also be judged by the Australian people to be the subject of interference. (CPD Vol. 131 11 May: 467)

The first Board of the Australian Broadcasting Corporation was announced by the Minister for Communications on 9 June 1983. The change to a Corporation abolished the existing Commission and gave the government a unique opportunity to appoint an entirely new executive in one sweep. Those appointed were:

- **Chairman**: Ken Baillieu Myer from Melbourne. Born in 1921. Myer belongs to a prominent retailing family and is a well-known patron of the arts. He was reputedly asked to head the ABC by Prime Minister Whitlam in 1973 but declined, saying he was “too close to the business community for such a post” (Sydney Morning Herald 10 June 1983: 1). Myer has chaired the National Library Council and the Victorian Arts Centre Trust.

- **Deputy Chair**: Wendy McCarthy from Longueville NSW. Born in 1941. Originally a school teacher, McCarthy was executive officer of the Australian Federation of Family Planning Associations when appointed to the ABC. She has served on the National Women’s Advisory Council and the NSW Education Commission.

- **Neville Bonner** from Ipswich, Queensland, born in 1922. Bonner is a former Queensland Liberal Senator and prominent in Aboriginal community activities. The Daily Telegraph (10 June 1983: 10) welcomed his appointment to the Board as “the voice not only of Aboriginals but of all minorities”.

- **Sister Patricia Veronica Brady** from Loreto Convent, Perth. Born in 1921. Sister Patricia is a senior lecturer in English at the University of Western Australia. She has been a member of the University Senate and involved in Amnesty International and campaigns against nuclear energy and racial exploitation.

- **Richard Boyer** of Canberra. Born in 1923. Boyer is a
pastoralist, economist, former Commissioner of the Industry Assistance Commission and member of the National Press Club. He is the son of Richard Boyer, Chairman of the ABC from 1945 to 1961.

- Jan Marsh of Mount Albert in Victoria. Born in 1948 and trained as an economist, Marsh has worked with the National Women's Advisory Council. Since 1979 she has been industrial advocate for the Australian Council of Trade Unions.

- Bob Raymond of Sydney, born in the United Kingdom in 1922. A former war correspondent and broadcaster with the ABC. Raymond has considerable international media experience. He was a co-developer of the ABC's highly successful Four Corners program in 1961.

The part-time Directors are appointed for three year terms and the Chairman for a five year term. Few people, however, could undertake the considerable work, social functions and travel involved in the office of Chair in just a few days a week. Geoffrey Bolton has described as a "fiction" the notion that the Chairmanship of the ABC is a part-time appointment (Inglis 1980a:6). Yet successive Commissioners have opposed making the position full-time. Inglis notes fears that a full-time Chairman would become in effect the chief executive officer of the ABC, supplanting the office of the Managing Director. The Chairman would no longer be what Dr. Earle Hackett termed a "moderator from the outside world" (ibid:7). ABC Boards have felt that the powers and duties of the chair must be limited for as long as the position remains a government appointment.

The non-government appointed members who complete the first nine member Board of Directors are

- The Managing Director of the ABC, Geoffrey Whitehead. Born in the United Kingdom in 1934. Whitehead has extensive broadcasting experience with the BBC and Radio New Zealand.
He began the $70,000 per annum position on a renewable five year contract in February 1984.

The staff elected Director, Tom Molomby. In November 1983 Molomby won a three year term from a field of six candidates in an election supervised by the Commonwealth Electoral Office. A lawyer by training, Molomby has worked with the ABC for over 20 years and been an executive member of the NSW branch of the ABC Staff Association since 1964. Though a staff-elected Directorship is not recognized in the 1983 legislation, the Board has recommended to the government an amendment stipulating that the position continue and not be subject to change when governments change.

Michael Duffy announced the new Board with the hope that these appointments would "revitalise" the ABC as an "influential and innovative" force in Australia's broadcasting and cultural life — hardly flattering to the out-going Commission (9 June 1983:2).

Commenting on the membership of the newly announced Board on ABC radio, political correspondent Mungo MacCallum noted

There's something for just about everybody... reading from the top we've got a retailer, a feminist, an aboriginal, a nun, a member of the National Press Club, a trade unionist and a commercial broadcaster. They come from Sydney, Melbourne, Western Australia and Canberra and it does seem to be a very wide spread indeed... I suppose in that line-up you have got people who are more likely to be thinking in terms of reform rather than reaction — which is rather in contrast to the last Commission. (ABC 2JJJ-FM 9 June 1983)

In fact the geographical spread of the Board is not as large as previous Commissions. There is no representative from Tasmania, South Australia, the Northern Territory or from rural interests. Nevertheless, media reaction to the appointments was generally favourable, with most reports prefaced by remarks about the lack-lustre performance of the ABC in recent years. These failings were usually attributed to ABC management; The Age reported Senator Button's description of senior ABC officers as
"nearly all bad" and claimed that the new Board had a clear mandate from the government to "clean up the ABC's management" (10 June 1983: 6).

The Federal Secretary of the ABC Staff Association, Nick Collis-George, welcomed the appointments as bringing to the Board considerable expertise in a wide variety of fields. He warned, however, that the Board faced difficulties with what he called "the management problem" (Canberra Times 10 June 1983: 1).

The Federal Opposition made no public comment on the appointments. The only dissenting note seemed to come from the Ethnic Community Council of NSW, whose executive officer described the composition of the Board as a "great let-down" in light of an ABC Charter which requires the Corporation to take into account the multi-cultural nature of Australian society (Canberra Times 10 June 1983: 1).

Composition of the Board

The Australian Broadcasting Corporation Act (1983) stipulates that ABC Directors should have relevant expertise in radio, television, communications, management, a financial or technical field or have cultural or "other interests" relevant to the operations of the Corporation. Yet the range of experience represented on the Board is not markedly different from that of previous Commissions. The first ABC Commission was also chaired by a retailer, Charles Lloyd Jones. Only one appointed Director, Bob Raymond, has extensive media working expertise. The clause requiring relevant expertise apparently has not been a major influence in the selection of Directors.

1In his critique of the Dix Report, Senator John Button prefigured the selection of Bob Raymond, by suggesting that the ABC Board should include a staff elected Director and a former ABC employee: "This procedure could be used to ensure selection of, say, two professional broadcasters...one could be required to have ABC experience without necessarily being a representative of the staff" (1982:17).
The use of generalists has been the traditional pattern of ABC appointments. This is defended by Professor Kramer, who feels that the ABC Board needs "well-educated people from a variety of backgrounds" (1984). Nevertheless, she acknowledges problems with appointing part-time amateurs. Such Directors are "not as competent in policy formulation as ABC management", they have limited time to master unfamiliar and complex areas and they can easily be made "entirely dependent" upon the advice of an astute management (Kramer 1984).

One significant difference between the Board and its predecessors is the sex of its members. Three out of seven Directors are women, all with considerable professional standing in their own fields. As Jan Marsh told the ABC radio program The Coming Out Show

...it's more than symbolic value...it goes beyond that and I certainly know that Wendy and Veronica have got contributions to make which far exceeds anything that could be seen as being a token female, a token women, or just a symbol... (ABC 1983c:9)

The 1983 Act does not contain the previous requirement that at least one Commissioner be female; the government was apparently confident that changed times made such provisions unnecessary.

The provision that the Board include a representative of each Australian state also does not appear in the 1983 legislation. The requirement created large and cumbersome Commissions, made communication between Commissioners difficult and prevented use of the best available talent. Herb Elliott, for example, had to resign his position as Western Australian Commissioner because he moved to Victoria and thus no longer fulfilled his

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2 There is some evidence, however, of last-minute Cabinet changes to the Board membership. A brief report in The Australian (7 June 1983:3) claimed that some (unidentified) feminists had criticised Cabinet's original short list of nominees for including only one female; Cabinet then revised its choices.
residential requirement (Scan 30 March 1981: 5). As the Sydney Morning Herald noted,

In the past most Commissioners have been appointed as community representatives rather than for their media experience. As a result, successive Commissions have tended to rubber-stamp managerial decisions. (22 April 1983: 7)

Directors do not represent interest groups but are selected (at least theoretically) on a criterion of expertise. The Charter and composition of the Board are intended to incline Directors toward a national rather than sectional perspective on the activities of the Corporation.

One important development is the appointment of an ex-politician to the Board. Australian governments have been reluctant to appoint former parliamentarians to a sensitive organisation such as the ABC, though this has not prevented highly partisan appointments. By contrast the BBC Board of Governors frequently includes former members of Parliament. British practice requires former politicians not to express partisan attitudes once appointed to the boards of public institutions. Neville Bonner perhaps had this British tradition in mind when he told reporters that, as a Director of the ABC, he was not working for the ALP or the ALP government - "I'm working for Australia as a whole and serving the nation, not a government". Freed of open partisan loyalties, a former politician's practical knowledge of the operations of government may be of considerable benefit to the ABC in recognizing and resisting political pressure.

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3 Elliot was later reappointed, however, for a two year term. This was not completed because of the abolition of the Commission in June 1983.
The Selection Of Directors

With the exceptions of the Managing and staff-elected Directors, Board members are chosen by the government and appointed by the Governor-General. There is thus always a risk that governments will appoint people broadly sympathetic to the ideology of the ruling party. In 1953 Joan Rydon estimated that about "two thirds of Commissioners so far had been supporters of the party in office" (Inglis 1980a:17). This figure increased dramatically in the 1970s when the Whitlam and Fraser governments each appointed close supporters to the Commission. By 1975 Dennis Minogue could claim that ABC Commissioners were so ALP-orientated that the Commission "mirrors Labor ideals perhaps more accurately than does government performance" (1975:9). Humphrey McQueen listed the business, political and social affiliations of all Commissioners since 1972 to demonstrate that Australian governments appoint Boards "from the ranks of party supporters" (1977:106). McQueen found that Labor appointees were replaced after 1975 by a "combination of businessmen and political reactionaires" (ibid:107). With any statutory authority where the Board is chosen directly by government there is the risk of political patronage, with power placed in "...hands of people who are less than accountable in a desirable form" (Rae 1979 ANU Address).

Attacking the government's power to appoint Commissioners without reference to Parliament, Clement Semmler spoke of

...the completely cavalier and shameless way in which governments have made political appointments to the Commission...This blatant stacking of the national broadcasting instrumentality has gone on under both Labor and Liberal governments. There has never been a politically neutral Commission. (1981:30)

Once appointed Directors are expected to be independent of the Minister who recommended them and of the government which has the power to renew their term of office. Although the power to appoint does not
necessarily mean control of Directors, the ease with which some governments dominated Commissions with people of a sympathetic outlook must raise questions about the ability of the ABC to remain autonomous under the direction of these political appointees. Inglis notes

In the ABC After Dix, a March 1982 ALP policy statement, Senator John Button deplored the system which allowed partisan appointments and promised reform. He laid down this precise formula for the selection of the ABC Board under an ALP government:

1. public applications for positions
2. the list of applicants to be referred to a parliamentary committee with a government chair and majority but opposition representation
3. applicants to appear before the committee in open proceedings and to be questioned by committee members
4. the committee to then recommend to the government a list of suitable people for appointment.

A year later the ALP was in office. Announcing the first ABC Board the Minister for Communications, proudly claimed

...appointment of the Directors by the Governor-General followed discussion by an all-party committee and Cabinet consideration of its views. This process of appointments reflects a welcome bi-partisan approach to consideration of appointments to the Board of Directors. (Duffy 1983b: 2)
The procedure suggested by Senator Button in 1982 has been followed only in some aspects. There were no public applications or interviews. The government and the Department of Communications developed lists of suitable people, a process known in Britain as finding the appointable "great and the good". The Department collated names from community organisations, the ABC Staff Association and other interested parties. The government list appears to have been prepared by Senator Button from contacts within the labour movement (National Times 13 January 1984:10). These lists were co-ordinated by the office of the Minister for Communications and taken by Duffy to a Cabinet sub-committee comprising the Minister and Senators Susan Ryan and John Button, with Prime Minister Hawke as Chairman. This sub-committee culled a list of about 30 names down to 9 which were then put for consideration to an ad hoc all-party committee. The leaders of the opposition nominated Bruce Lloyd and Senators Peter Baume and Don Chipp to represent them. The government was once again represented by the Minister and Senators Button and Ryan. This committee, meeting only two days before the official announcement of the new Board to replace the 11 member Commission, pared the list down to the final seven names (Weekend Australian 9 June 1984:5). Cabinet endorsed the list and the announcement was made.

While this ad hoc procedure introduces some bi-partisan involvement in Board appointments. it falls short of the standing parliamentary committee with public nominations and hearings promised by the ALP only 12 months earlier. The choice of names to go forward to the committee suggests a continuation of the familiar patronage system which for so long kept the ABC supplied with Commissioners. Duffy's office will not release the list of names considered nor discuss the criterion for selection of candidates. Some light on the procedure, however, is shed by an interview with ABC Director Wendy McCarthy (National Times 13 January 1984:8-10).
In April 1983 Senator Button was asked by Cabinet to begin looking for suitable candidates for the new Board. Button travelled to Sydney to speak with his old friend former Senator (now Justice) Jim McClelland about likely candidates from NSW. McClelland is married to Gil Appleton who worked for the Dix Committee in 1981 and has been involved with McCarthy in Sydney feminist circles. Gil Appleton suggested McCarthy’s name, which had also been put forward by the ABC Staff Association and Senator Susan Ryan. Her name went to the all-party committee. McCarthy was approached, expressed her interest and "...with several other ministers like Susan Ryan pushing her case she got the job" (ibid:10).

The Board and ABC Management

If the new Directors are confident of revitalising the ABC, many ABC managers are in turn hopeful of preserving some of their traditional influence on ABC policy. They refer to the failure of successive Commissioners to intervene in areas considered the preserve of management. Some managers claimed (without offering proof) that their colleagues were able to control the Commissioners: "...management tells them what to do...by and large management manipulated the Commission". The people appointed to oversee the ABC were often characterised by ABC staff as having “hearts of gold and boots of custard”: faced with a secretive, intransigent and conservative management, any good intentions of the Commissioners were easily stalled by "bureaucratic imperatives" ("The Guide" Sydney Morning Herald 27 June 1983:8).

Senator Button noted the tendency for management to ‘educate’ Directors. He observed the development within the ABC of a corporate spirit, "a sort of free-masonry", enmeshing both Directors and senior managers. New Directors are drawn into this network, educated and inculcated with the values of the organisation through information flows and social contact. As a result it becomes "distinctly unpleasant" for a Board.
or an individual Director, to "buck the system" - to bring in an outsider, to go against a recommendation, or generally to impose its will (Button 1982:23).

As Director of ABC Corporate Affairs, John Hartley was responsible for preparing Commission agenda. He described the relationship between the Commissioners and ABC management:

While it is true that management steers the Commission in the way it hopes the Commission will go, there is no guarantee that this will happen. When management puts things to the Commission they are very conscious of who the Commissioners are and who is likely to be difficult or supportive on a particular subject. So you get this subtle interplay between management and the Commission, with management trying to put things to the Commission in such a way that they will get it through. (1983)

Hartley noted that Commissioners did not know anything about the ABC when appointed: "the first three years membership of a Commission is spent finding out what goes on and it’s really in the second term of office that a Commissioner becomes a positive influence" (1983).

Very few Commissioners in the 1970s enjoyed second terms. When the ALP came to power in 1972 it declined to renew the appointments of any existing Commissioners. The Liberals responded in kind after 1975. The same happened in 1983 with no continuity between the last Commission and the first Board of Directors.

The turnover of Commissioners since 1972 has been considerable. Few had time to acquire a solid understanding of the operations of the ABC. The notable exception was Professor Leonie Kramer, who spent 6 years with the Commission including 18 months in the Chair. There has been speculation that General Manager Duckmanton brought forward his retirement because he felt that Chairman Kramer was encroaching on his responsibilities with her "more activist stand" (Inglis, National Times 1983a:10). Duckmanton was not accustomed to experienced Chairman capable of pursuing their own policies.
The rapid turnover of ABC Boards provoked Semmler to complain of "...a failure of successive Commissioners publicly to declare a coherent program policy for the ABC" (1981:51). Most Commissioners had little time to comprehend the complexities of the organisation; few had technical or broadcasting experience. It is not surprising that Commissioners were unsure about the extent of their responsibilities and found it difficult to articulate a coherent program or administrative philosophy. Most relied on ABC management to suggest initiatives. As one ABC manager noted, "...you can't expect part-time Commissioners to analyse plans which should have been well thought-through before they are presented" (Muldoon 1983).

The Board of Directors which took office on 1 July 1983 was well aware of the failure of some Commissions to fully control and direct ABC management. The incoming Chairman signalled his intention of ending "the reign of the ABC's grey mandarins" ("The Guide" Sydney Morning Herald 27 June 1983:8). He looked forward to the removal of some structural problems which had frustrated Commissioners. Yet Directors are still part-time appointments with considerable commitments outside the ABC. They face a considerable task wresting control of much decision-making from a management grown used to inexperienced leadership.

Approaching the end of their first two years in office, the enthusiasm within the ABC and in the commercial media for the first Corporation Board dissipated. The Sydney Morning Herald called on the Directors to resign "in recognition of failure" ("Good Weekend" 24 November 1984:10). The Herald criticised the selection procedure, saying: "Some uncharitable souls have suggested that Canberra could have done better with a pile of phone books and a pin": the Board, it said, had been "naive, quixotic, indecisive. posturing and just plain wrong at times" though it had "also made some tough decisions" (ibid:10).
The first Corporation attempted to restructure the ABC along media management lines, to put greater emphasis on a comprehensive range of programs, and to get ABC finances on a firm footing. In the process the Board upset much of the traditional ABC audience, projected an image of an organisation in upheaval and disturbed management. One senior officer claimed: "The Board has been somewhat careless about alienating senior staff by broad general attacks on all of us. To brand us all as inefficient and with nothing to contribute seems a strange way to promote morale" (The Australian 18 August 1984:15).

Because the structural and financial reforms initiated in 1984 will not be complete until 1987/8, it is premature for the pundits of the print media to make definitive pronouncements about the record of the Board. As Robyn Williams notes, changes to a broadcasting outfit require a long lead time before the effects are apparent: instant claims of disaster "create a siege mentality" within the Board by portraying "an atmosphere of constant crisis" ("The Guide" Sydney Morning Herald 24 September 1984:1). Nevertheless, the first Corporation Board quickly learned the difficulties of changing the ABC. Every decision upsets some entrenched interest within the organisation or brings condemnation from outside pressure groups. An interventionist Board, attempting to totally restructure the organisation without the expertise of a capable management or the close support and advice of a Secretariat, has inevitably made serious errors of judgement.

The Board and ABC Staff

All large organisations experience some communications problems. ABC staff complain that the ABC is worse than most complex bureaucracies. They often claim they are told nothing about what is going on at senior levels, are not consulted and often learn of executive decisions only through impersonal memoranda, the grapevine or from the afternoon newspapers.
Following a bad industrial relations record from the mid-1970s, attempts were made to improve the information flow through the organisation. Summaries of Commission decisions were regularly published in Scan, the ABC staff journal. Department heads and other senior managers were invited to discuss with the Board their area of responsibility. Meetings in different cities made Commissioners at least occasionally visible to ABC staff outside Head Office. Resident Commissioners from each state were encouraged to develop individual links with staff in their home state. Regular meetings were held between the Commission and ABC Staff Association and the ABC Senior Officers' Association (Dix Vol. 2:101).

The first Directors of the Corporation have continued these practices. Ken Myer's first act as Chairman was to make a video-tape explaining to ABC staff the plans of the new Directors to reform the structure of the organisation. This rambling interview was later replayed for a national audience on ABC television.

The re-introduction of a staff-elected Director may prove a significant factor in improving the relationship between the Board and ABC staff. The post was first introduced in 1975 with the election of Marius Webb from 2JJ. Webb published a regular newsletter for his constituents and was available to talk to any ABC staff member, though he was obliged to respect the confidentiality of some Commission matters.

When his term expired in October 1978 the Liberal/Country Party government did not favour its renewal. The Commission was invited to lodge a submission arguing for the retention of the post, but it did not do so (ibid:103). Opponents of the position of staff-elected Director argued that was inappropriate for a Board designed to represent all Australians to include a representative of any specific group of people, even ABC employees (ibid:104). Semmler claimed that the presence of a staff-elected Director on a Board where policy and decision-making are so
often bound up with sensitive political issues and, more particularly, "with a frank and critical appraisal of staff performance will simply be disastrous to confidentiality and to efficiency. It will often mean that certain decisions will tend to be made in private cabals - and not around the (Board) table" (The Bulletin 24 May 1983: 32).

The staff position was revived by the ALP government and filled by the election of Tom Molomby in November 1983. The return of a staff representative may have some impact on the ABC's industrial relations. Through Molomby has a difficult task representing the diverse (and sometimes conflicting) interests of 6 509 ABC employees. Despite a recommendation in the Royal Commission On Australian Government Administration that the experience of the ABC, Telecom and Australia Post with staff members on the Board be studied, there has yet to be a detailed assessment of the results of these limited experiments in organisational democracy.

**Summary**

It is unlikely that ABC managers ever directed Commissioners with quite the ease some claim. The evidence from the minutes of Commission meetings, however, suggests that successive Boards had difficulty defining their role. Because of the enormous amounts of information to be mastered and the difficulty of discussing in detail complex issues within the agenda of busy one-day meetings. Boards have tended to rely on managers for advice and policy options. This is not an inevitable devolution of responsibility. Board members with the time and ability to master their briefs and to define for themselves an appropriate level of responsibility were able to exert a strong influence on the ABC. Many Board members, however, found their time with the ABC one more of frustration than contribution.

The changes to the ABC in July 1983 did not resolve ambiguities about
an appropriate level of intervention for a Board, but did provide practical assistance through access to the expertise of the Managing Director and the independent advice of a Secretariat. Nevertheless, being a Director will continue to be a difficult, exacting task. Directors are trying to understand the organisation, make the right decisions, not provoke industrial or management problems, maintain the independence of the ABC but not unnecessarily provoke governments and look after their reputation and so eligibility for re-appointment. Peter Smark, writing in the Sydney Morning Herald’s “Good Weekend”, caught the sense of isolation and conflicting pressures on the Board:

The Prime Minister senses an ABC plot against the federal government, joining several Federal Ministers and the NSW Premier who perceive plots against them personally. Mr. Myer, Mr. Whitehead, the Managing Director of the ABC, and several other Board members see a commercial media plot to misrepresent their endeavours and fear a Canberra plot to frustrate and hobble them. They know there are despairing efforts to whip up a plot amongst some imperilled senior ABC staff to still the winds of change. (24 November 1984: 8)

Directors will continue to use rhetoric which implies a much more rigorously defined role than they really occupy. Asked about the functions of the ABC Board, Ken Myer replied

The Board’s job is to see that political interference does not occur. But we will listen to policy directions. (Canberra Times 10 June 1983: 2)

To some extent Myer begs the question. His appointment is a political act. The Corporation has been created by Parliament and its functions defined by law. Nomination to a list for consideration remains a government prerogative.

Directors must find their own course within the framework supplied. The actual power of a Board is negotiated, subtle and subject to constant change. The precise involvement of Directors in dealing with staff,
finance, programs and planning will ultimately derive from the personalities of the Board and the managers and from the model of intervention they choose.
2.5 MANAGING THE ORGANISATION

Bureaucrats and Bureaucracy

A program-maker is said to have become so exasperated with the demands of a senior ABC bureaucrat that he yelled "what you don't seem to realise is that we're in the business of putting noises and pictures into those little boxes in peoples' lounge-rooms". The administrator reputedly replied "I think that's a very narrow view to take of things".

This oft-told ABC anecdote suggests considerable tension exists between the Corporation's production staff and management. It exemplifies folk wisdom that ABC bureaucrats have displaced the goals of the organisation by becoming interested in administration for its own sake.

Chapter 2.2 drew a distinction between an organisation's structure (bureaucracy) and its administrators (bureaucrats). The ABC structure was examined and questions raised about whether the ABC's traditional public service orientation was appropriate for its function as a creative, entrepreneurial broadcasting organisation. Further constraints on efficient management have been noted:

- An incomplete structural change to media management has confused lines of authority and increased rather than lessened the workload and strategic importance of senior managers.

- Because the ABC is accountable to Parliament and various federal bureaucracies for use of public money it must invest time and resources in maintaining records and justifying activities.

- The centralised decision-making of the ABC requires even minor decisions to be referred to Head Office. An inability to delegate increases the administrative workload and invites frequent disputes between branches and Sydney.
Administration is difficult in an organisation where ABC staff and facilities are scattered throughout an enormous number of buildings. Most ABC staff (58%) work in the branches while most managers are located in Sydney.

Whatever the abilities of individual bureaucrats, the structure of the ABC is a significant impediment to good management and creative program-making. Nevertheless, as Senator Button commented, "it is the calibre and attitudes of the people in positions of power which count, and not the formal arrangements between them" (1982:6).

Functions and Duties of Management

'Management' is a broad term, applied in the ABC to everybody at or above the level of department head. This includes around 120 positions, ranging from those who directly supervise program output to chief accountants, branch heads, engineers, lawyers and support service managers.

The ABC Annual Report 1983-84:73 divides ABC staff by division into

<table>
<thead>
<tr>
<th>Division</th>
<th>ABC Staff (by percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Television</td>
<td>26.7</td>
</tr>
<tr>
<td>Radio</td>
<td>16.6</td>
</tr>
<tr>
<td>Engineering</td>
<td>25.7</td>
</tr>
<tr>
<td>ABC Enterprises</td>
<td>0.6</td>
</tr>
<tr>
<td>Administrative Services</td>
<td>14.2</td>
</tr>
<tr>
<td>Orchestras &amp; Concerts</td>
<td>6.9</td>
</tr>
<tr>
<td>News</td>
<td>6.7</td>
</tr>
<tr>
<td>Radio Australia</td>
<td>2.5</td>
</tr>
</tbody>
</table>

The ABC releases only aggregate details of resource expenditure...
(1982-83: 32-33, 36): in 1982-83 its distribution of general activities gross expenditure was:

<table>
<thead>
<tr>
<th>Division</th>
<th>Expenditure in $m</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radio - domestic</td>
<td>70.529</td>
<td>25.8</td>
</tr>
<tr>
<td>Television</td>
<td>146.874</td>
<td>53.7</td>
</tr>
<tr>
<td>Orchestras &amp; concerts</td>
<td>21.946</td>
<td>8.0</td>
</tr>
<tr>
<td>Merchandising</td>
<td>4.607</td>
<td>1.7</td>
</tr>
<tr>
<td>Administration</td>
<td>15.274</td>
<td>5.6</td>
</tr>
<tr>
<td>Capital</td>
<td>14.380</td>
<td>5.2</td>
</tr>
<tr>
<td></td>
<td>273.610</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Administration consumes 5.6% of ABC resources and involves 14.2% of ABC staff. Approximately 2% of the ABC's 6514 staff (at 31 June 1984) hold senior management positions. These administrators, mostly based in Sydney, are the final arbiters in the frequent and inevitable disputes in the complex, multifunctional ABC.

The problems of managing the organisation are exacerbated by the dispersal of the ABC. In almost every capital city the ABC bureaucrats sit in a building some distance from the studios. This remoteness has accentuated the tendency for administrators to think of themselves as "us" and program-makers as "them". The distance between staff and managers led to Head Office in Sydney being known amongst ABC employees variously as "The Vatican" (because managers claim infallibility), "Fort Knox" (less for its treasures than for its impregnability to the real world), and "Geriatric House". Lyndall Crisp described the first visit of the Corporation Board to Head Office:

The new Board was aghast to find that at Broadcast House, in
many ways the nerve centre of the whole ABC, there were lots of bureaucrats but not one front-line staffer. no access to production staff, no one seemed to have an overall idea of how the system worked or what it cost and there appeared to be no mechanism for making rational decisions based on real information. (National Times 11 May 1984)

ABC creative staff frequently criticise those managers with responsibility for programming decisions. Before the structural and personnel changes of 1984, network managers were typically portrayed as unable to delegate, of selecting peers for promotion through an old boys network, of being badly trained, of having little grasp of financial matters, of being failed broadcasters and ultimately of being more concerned with bureaucratic procedures than with producing programs.

Many ex-ABC staff blame their departure on sheer exasperation with ABC program bureaucrats. Former political correspondent Ken Begg left the ABC with the curious metaphor "I liken the ABC management to a marshmallow - you can go on punching it forever" ("The Guide" Sydney Morning Herald 10 May 1982: 4) Public Affairs reporter Gerald Stone resigned in 1974 after frequent disputes with ABC management, whom he accused of being unable to delegate responsibility. The final straw for him was reputedly a long argument over whether he was senior enough to be allowed to use an STD phone without supervision for the 20 or 30 trunk calls he had to make each day for the Open End program (Canberra Times 2 July 1983: 17). Sue Corrigan left because she found ABC-TV to be "radio with pictures, and radio is still run on the lines of an English newspaper of the 1930s" ("The Guide" Sydney Morning Herald 10 May 1982: 4). Though there is a danger of getting a distorted picture from the opinions of these refugees, their sentiments echo the Dix Report's finding of "...unbridled bureaucracy, little co-ordination or co-operation in terms of staff or resources, or in program output" (Vol.1: 14), and Jackson and Yerbury's finding that ABC administrators tend to "deal with problems on a short-term, ad hoc and piece-meal basis" (1981: 70).
Management's functions, in broad terms, are to:

- provide support for the Board and implement Board policy.
- ensure the smooth running of the ABC - programs go to air, technical services work, industrial problems are solved.
- allocate resources and ensure they are used efficiently.
- encourage creativity, assess program proposals, decide what programs are to be made and when and how they will be broadcast.
- ensure the future of the organisation through planning, capital purchases, recruitment and staff training.

These tasks defy quantification - they only become apparent when something goes wrong. Because there is no standard product and no precise formula to measure success, there is little opportunity for independent assessment of management's performance. Neither the ABC nor its commercial rivals release detailed figures on the running costs of various administrative functions. Without a standard ABC product or profit criterion, there can be no precise formula to determine whether a function has been efficiently performed (Duckmantion 1966: 273). Most commentators assume that the ABC is inefficient: one newspaper assured readers that no reform of the ABC could make it work as well as its commercial rivals, because "the commercial stations are smaller and slicker, they are not handicapped by the Public Service rules so utterly at odds with the business of broadcasting and over the past decade they have attracted many of the best and brightest of ABC staff" (The Australian 18 August 1984: 15). Nevertheless, a study by Dr. Glenn Withers came to the surprising conclusion that the ABC is more efficient in cost per program hour broadcast and employs less staff per transmission hour than commercial rivals (1982: 228–235). The ABC's relatively small audience, however, means that in spite of its technical efficiency the ABC spends
considerably more per listener and viewer than does commercial broadcasting (ibid: 235).

Withers cautions that though encouraging for the ABC, such figures must be treated with caution. Aggregate figures are not necessarily a judgement that individual ABC managers are better; it may be that all broadcasting in Australia is inefficient. After all, most commercial radio and television stations operate as monopolies or as part of an oligopoly and so have no great incentive to efficient use of resources (1984). Withers concedes that individual program cost data is not available but defends his aggregate approach as "much more robust" (1982: 230). However, his comparative commercial figures are based on company reports and may not accurately reflect actual running costs or profitability.

Aggregate figures do not take into account the amount of repeat programming with its obvious implications for broadcast costs, nor the relative amount of local content included. There is no allowance in the figures for differences in salaries between the public and private sectors, nor for ABC equipment being outdated when compared with new and expensive technology purchased by commercial rivals, particularly in television. Nevertheless, the Withers study suggests that ABC management may not be as financially inept as some of its more vocal critics suggest. His conclusion qualifies the finding of the Dix Committee that there have been significant failings by ABC management (Vol. 1: 12-13).

The Managing Director

The single most important administrative post is that of Managing Director, the chief executive officer of the ABC. The Australian Broadcasting Corporation Act (1983) makes the Managing Director responsible to the Board for the day-to-day affairs of the Corporation and provides the office with extensive powers of delegation.
Before July 1983 the ABC was—some might say dominated—by a General Manager who attended Commission meetings but was not a Commission member. General Managers could expect "tenure until retirement" (Inglis 1980a:9); Charles Moses was General Manager for 30 years and his successor, Talbot Duckmanton, ruled for 17 years. The new five year renewable contract system for the Managing Director is an attempt to minimise the risk of lethargy overtaking an organisation with so little change at the top.

Appointment to the post of Managing Director is a Board prerogative. Advertisements for the post, which appeared internationally, required the successful applicant to demonstrate leadership and success, particularly in strategic planning and policy development and implementation, experience within communications or related industries, experience and skill in understanding government administration, a capacity to encourage creativity and imagination in the artistic, marketing and administrative activities of the Corporation, an understanding of the rapid technological changes taking place within the field of communications and an awareness of their potential impact upon Australian society (Canberra Times 2 July 1983:7).

Many ABC staff called the Managing Director's job a "suicide mission"—too daunting for even the most skillful administrator because of the ABC's "endemic problems" (Sydney Morning Herald 29 October 1983:33). Nevertheless, over 150 applicants answered the first advertisement, half of these from the United States of America. The position was eventually filled by former BBC and Radio New Zealand employee, Whitehead, who left school at 16 for a life working as a journalist, broadcaster and administrator (Senate Committee A, 4 September 1984:158). The Managing Director, like the post of General Manager it replaces, is in a powerful position to direct ABC programming policy. The Managing Director is also responsible for personnel matters, including the appointment of senior ABC bureaucrats and the definition of their duties.
the Managing Director "inherits the powers of the Public Service Board which used to approve staff classifications and terms of employment" (The Age 10 June 1983:6).

The day-to-day working relationship between the ABC Board and Managing Director is not addressed in the legislation but must be worked out by trial and error. Chairman Myer indicated that he intended to leave all program decisions to the Managing Director and then "support him, come hell or high water" (The Australian 10 June 1983:2). The Managing Director is a crucial figure in the Corporation, reporting to a Board largely ignorant of the intricate structure of the ABC and therefore uncertain how to frame appropriate policies. To characterize the relationship between Board and Managing Director, Chairman Myer could only fall back a policy/administration dichotomy:

...in most matters except perhaps major policy matters and in the annual report, the Chief Executive Officer should be the spokesman for the Corporation....in my experience Boards sometimes make the mistake of getting unduly involved in management matters which are not really Board matters and as a consequence they don't give enough consideration to the policy considerations which are their job...we won't go that route. (PM ABC Radio 9 June 1983)

Myer here expresses inevitable tensions for an interventionist Board which also recognises that management must be left alone to do its job without undue interference. Relations between the Board and management and, more particularly, between the ABC Chairman and the chief executive officer have often been strained. Sir Charles Moses, for example, had little respect for successive Commissions. He "flushes with resentment when he recalls mediocrities to whom he had to report. He says some were 'ineffectual nobodies who tried to justify their positions by niggling at the General Manager"' (Sydney Morning Herald 10 May 1982:7). On the other hand, Sir Henry Bland, as ABC Chairman, disliked his General Manager and behaved instead as if he were chief executive, Ingles
describes the Chairman's action in by-passing the General Manager and giving direct orders to other staff as a grave departure from what people within the ABC considered "a settled constitutional convention" (1980a:11). Kramer believed the relationship between the Chair and chief executive should be similar to that between the Chairman and Minister. The Chairman does not take all the real decisions but the Chairman should be daily communication with the chief executive on a discussion/information basis. Kramer would discuss but would never "lay down the law" (1984).

During their first term, the Corporation Board and Managing Director have slowly constructed a working relationship. Whitehead has proved to be influential, particularly in formulating plans for structural change and entrepreneurial activity; his commercial instincts seem to align him with Chairman Myer. Whitehead has, however, been over-ruled by a Board majority on certain issues, most noticeably over his support for censoring a Four Corners report on Papua New Guinea, and on some recommendations for senior appointments. So far the Managing Director has needed to work closely with the Board, persuading it but also accepting its authority. The considerable tension which characterised some dealings between past boards and chief executive officers have yet to resurface.

On 31 January 1984 Geoffrey Whitehead, with the approval of the Board, announced reforms to the structure and personnel of ABC management. Previously 22 senior managers had reported to the General Manager; these posts were abolished and replaced by nine new positions so that only the new Directors of Radio, Television, Information Services, Engineering Property, Finance and ADP Systems, Human Resources, New Business Opportunities, Radio Australia and Concert Music now report directly to the Managing Director. The re-organisation is designed to create a small head office group. Whitehead, said one commentator, will "delegate power mercilessly, whereas the previous style has been to accrete power in Broadcast House" (Sydney Morning Herald 4 February 1984:33).
Responsibility for finance, budgets and programs will be pushed down the line to branches. This is designed to "give the ABC operations in each state greater responsibility but, at the same time, greater accountability" (ABC 1984a: 1). A devolution of controls may eliminate some centre/periphery tensions by allowing resource decisions to be taken closer to where they are used, and make Head Office management's task more one of monitoring than directing. By delegating responsibility the Managing Director will be able to spend more time working with the Board on policy issues.

The Selection of Managers

Dr. Earle Hackett was a Commissioner from 1973 to 1976, serving as Acting Chairman of the ABC for three months. He was unimpressed with the managers he dealt with in those years and spent some time contemplating reasons for what he saw as their "uniform mediocrity".

Hackett focused on the generation of Australian males who missed out on tertiary education because of the second world war. Hackett believed that many former soldiers chose to join the prestigious ABC under the "preference for returned servicemen" scheme. The less adventurous of these recruits decided to leave the studios when television was introduced in 1956 and instead try their hand at management. This generation of former ABC broadcasters reached the senior ranks of the ABC by the early 1970s. As senior managers they found themselves faced by bewildering technical change and the rapid expansion of the Whitlam years; these "unimaginative careerists suddenly had to provide the management skills for a vastly more complex organisation" (Hackett 1982).

Hackett concluded that senior managers had failed. The legacy of their shortcomings, he says, became apparent during the lean times of the later 1970s and remained until the abolition of the Commission in July 1983.
Certainly the organisation struggled to cope with the expanded budgets of the Whitlam years and then the equally rapid contraction which occurred during the Fraser era. During the traumas of budget cuts and staff ceilings from 1979 to 1983, ABC management saw itself under attack from the government and from its own depleted staff. In particular, management was heavily criticised within the organisation for the apparent maintenance of administrative positions during a period of staff reductions: some estimates suggest that the number of managerial positions actually increased by 10% while output and employment of production staff fell. The Sydney Morning Herald noted: "There is an echo in this of Professor Parkinson's famous example of the British Colonial Office growing larger as the British Empire grew smaller" (13 June 1983:6).

Managers closed ranks in the face of criticism and recruited in their own image until they became "overwhelmingly grey, male, fearful of outsiders and resistant to any sign of change" - a problem shared by many other Commonwealth instrumentalities and government departments ("The Guide" Sydney Morning Herald 27 June 1983:8). The mediocrity of those at the top was noted in an acid editorial when an outsider was appointed as the Corporation's first Managing Director

Probably the most damning indictment of the ABC is that despite its thousands of people there was not one person in it who could be considered a strong candidate for the leadership...With a vague philosophy and a moribund bureaucracy, a great deal of what it does has become irrelevant. (Sydney Morning Herald 1 November 1983:6)

Not everyone agrees, however, that the performance of management in the last years of the Commission was as bad as Dix and others have suggested. One persistent champion of the 'old guard' has been former ABC Chairman Professor Leonie Kramer. She argued that blame attributed to management properly belongs to conservative ABC staff who also resisted change, enforced rules, protected their niche, opposed rotation
between departments and fought against outside appointments. Responding to the Whitehead reforms, she again noted that it was a "myth that ABC management is top heavy... if you look at the ratio of administrative personnel to production personnel, it is not very high" (Sydney Morning Herald 1 February 1984:4).

The unreformed structure of the ABC, with its referral system for all resource decisions, placed a considerable work burden on senior officers. The controller of a radio network, for example, had to program a radio station, deal with six state branches on matters of local content, allocate budgets and monitor their adherence, negotiate with ABC federal program departments, news, engineering, support services and all the time be reporting upwards and bidding for increased funds.

Robert Jordan argued that "the real bar to an innovative ABC is that great grey mass of middle management, conservative to their very marrow, serving out time in the bureaucracy" (1983:7). With only 2% of ABC staff working in senior management positions, it would appear, however, that the problem was not too many bureaucrats but a structure which placed too much responsibility on too few people. The unreconstructed horizontal profile of the ABC hierarchy was not wide; there were, for example, only three officers between a program producer and the General Manager. The problem was the demands placed on even the most talented of managers. Heavy workloads resulted in slow decision-making with managers rarely having time to communicate in detail their reasons to those staff affected.

As one staff member observed:

In Public Affairs, where we are constantly under pressure and fire, we would get a tremendous morale to boost to know that our General Manager was around, watching or even interested in what we are trying to do... but not one word, not a murmur, not a single suggestion that our work has any relevance comes from Broadcast House - or if it does we never hear about it. And for that matter we seldom hear any encouraging words or praise from (management closer to home)... but we hear from management alright when something goes wrong, when we are criticised for
offending some powerful body because of a report we produce, then Management’s interest is very intense. (Dix Vol. 2:605)

The pressure of work gave managers little time to gain a perspective on their own roles or to construct long-term plans for the organisation. It is this structure and this generation of career managers who are being replaced by contract staff as the first Corporation Board seeks to dispel a widespread public image of an ABC senior management “rotten with superannuated bureaucrats and burnt-out performers” (Canberra Times 2 July 1983:17).

Geoffrey Whitehead’s structural changes abolished the top 120 ABC management positions and replaced them with new posts; the effect was a spill. Managers had to reapply for fixed term but renewable contract positions and compete with outsiders. Years before ABC journalist Robert Moore had commented that “if there was a spill of ABC senior management positions, very few of the incumbents would have the necessary educational qualifications to join the ABC as trainees” (Semmler 1981:202). Press reports of the aftermath of the spill have been critical about the high number of former managers re-appointed, though the ABC declines to reveal how many managers survived what was dubbed ‘the night of the long white envelopes’. Speaking to Senate Estimates Committee A on 4 September 1984, ABC Managing Director Geoffrey Whitehead defended his restructuring of the ABC as an attempt to introduce a system of “management by objectives”. The Committee, he implied, should not listen to press claims that the new structure did not work because it was not yet fully operational:

The new executive directors begin to take their appointments only in July and August 1984 and are thus only now able to introduce fresh thinking to strategies for the 1985-86 budget and beyond. Basing themselves on a new structure which is not likely to be fully implemented until some time between September and December 1984, Experience gained during 1985-85 will, it is believed, lead to benefits when the 1986-87 budget is drawn up. A realistic evaluation of the impact of changes begun in January
1984 will therefore perhaps be possible only in July 1987, at the end of the 1986-87 financial year... (Record of Proceedings: 149)

A Corporation promotional campaign in October 1984 sought to reassure politicians and the public that ABC management had at last changed. Newspaper advertisements acknowledged the widely held belief that ABC management was less than capable but promised that with a revised structure and fresh recruits "a new style of ABC management has begun... The new ABC Board has adopted a style of results orientated management. People won't 'own' jobs anymore. Instead, they'll be reviewed regularly, with management judged on performance. And for the first time we have set corporate goals which clearly set out the ABC's direction so that the whole organisation has a common sense of purpose" (Canberra Times 20 October 1984: 7).

The Career Structure

Under the Commission, management vacancies were filled internally. There were no contracts and few outside candidates. Once appointed, a manager 'owned' that position and could expect to hold it until the next promotion. Dix was particularly critical of this aspect of an organisation which had "come to prize its own complexity and inflexibility";

The concept of individual 'ownership' of jobs has grown to the point where transfers from one position to another without salary loss are seen as taking place in a disciplinary context. This prevents the organisation from being able quickly to place staff where requirements dictate, or from withdrawing easily from low-priority activities; and it has helped create a high degree of resistance to technological change and ignorance of the possibilities of training or retraining. (Dix Vol. 1: 13)

Discussions with ABC executives before the Whitehead changes revealed a disturbing lack of knowledge about ABC organisational arrangements, particularly in financial matters. When pressed, most managers would point out that their career had been within one division of the ABC...
(television, radio, engineering, management services etc): specialisation had given them little chance to acquire a broader working knowledge of the complexities of the ABC. When the same managers were questioned about the bad reputation of ABC administrators, most acknowledged the validity of some criticisms but were generally complacent; "the ABC is a very big organisation and all organisations tend to rigidity" said the Director of Corporate Affairs (Muldoon 1983). Semmler noted the same phenomenon when he observed that managers tolerated some inefficiency as "inevitable in such a big institution" (1981:78). Every manager had a story about a friend who left the ABC for private enterprise only to discover that the 'real world' was even more bureaucratic and wasteful.

Until the changes in pay scales which accompanied Whitehead's reforms, the career structure of the ABC offered little incentive to stay in the creative side of broadcasting. Production employees have been generally poorly paid in comparison with managerial staff. For an ambitious ABC officer, advancement in salary and responsibilities could only come through leaving the studios for commercial broadcasting or going into administration. Robyn Williams, presenter of ABC radio's The Science Show, noted ruefully that "there are very few veteran broadcasters in Australia. If I want advancement where I am, I become a manager and give up broadcasting for the rest of my life. If I want more money I leave the ABC" (1982:40). Ken Begg left for commercial television because "there was no future for me in the ABC, nowhere to go, no prospect of any more money, which at 40 was starting to worry me. I didn't want to be an executive. I wanted to stay on air, and there wasn't enough money to keep me there" ("The Guide" Sydney Morning Herald 10 May 1982:4).

Once in the management stream, former broadcasters had no more direct involvement in making programs. It took Taibot Duckmanton, for example, 16 years to work his way through management posts to that of General Manager. For almost all senior ABC managers, direct experience
of broadcasting was something of a distant memory. The time lag between leaving broadcasting and reaching a senior rank made it difficult for senior managers to assess the impact of their decisions on the studio floor. It created problems for a manager trying to understand the dramatic changes in broadcasting practice and potential created by new technology. As former ABC employee Warwick Adderley has observed, the “people making decisions may have been good broadcasters in their day but so much has changed and they have lost contact” (ibid: 4).

A frequent charge inside and around the organisation was that ABC management ‘recruited its own’ through an ‘old boy’s network’. Many ABC employees have a favourite story about the different networks: one producer tells of joining an ABC dominated by ‘old school managers’, to discover that the manager of Queensland television had different coloured cups for those invited into his closed office – white for trainees, yellow for supervisors and blue for managers. Other branch managers complain of the ‘old school tie’ network in Sydney’s Head office: “if a position has to be filled on an acting basis it is always someone from the Sydney ‘club’ who gets it rather than someone from a branch” (Hailstone 1983). One can never disprove the existence of such networks, only note that managers were more likely to recruit those who shared their values rather than their school tie:

The “old boy” network in the ABC is more akin to a “safe boy network”. One of the criteria for promotion would seem to be a capacity for caution : distrust of adventure and experimentation in the ABC is high. (Button 1982: 22)

The network has been described as a “defensive measure”, a “sort of closing ranks operation” by management over an ABC “absolutely riddled with internal dissension” (Hartley 1983).

Managers, often without formal qualifications or training, naturally felt under threat from the constant criticism which has been their lot. For 50
years management skills instruction within the ABC was haphazard at best. In 25 years only 53 managers were sent by the ABC to a public administration course at Mt. Eliza (Newsom 1983). Some managers were able to attend ABC Training Centre courses or one-day seminars but most acquired their skills by reading duty statements and learning on the job. Many complained that the little in-house training available tended to be "too narrow...very heavily into a behavioral science approach to inter-personal relationships" and missing "fundamental skills" such as training in basic financial techniques.

The Dix Report found little enthusiasm within the ABC for improving the training of managers: Volume 2: 583-584 noted that "while many staff were prepared to criticise the management skills and abilities of people currently occupying supervisory positions at all levels in the organisation, few suggested as a remedy an expansion of management training activities."

ABC managers historically have limited training and little outside experience. The career structure which took them into management required years of service within the ABC to qualify for promotion - outside appointments to senior levels have been rare. This practice encouraged an insular world view for managers cut off both from the production floor and the competitive outside world. As long as the ABC was public service orientated with promotion largely based on seniority, there has been little incentive for managers to be imaginative or seek wider experience.

Changes announced by the Managing Director disrupt this long established career pattern. Simultaneous with the full introduction of media management, the 120 top positions in the ABC will be filled by fixed term contracts and open to external competition. Management will be streamlined so that it would now "operate as a support group to the radio and television staff in the networks and the field" (ABC 1984a: 1). The Managing Director expressed the hope that current managers would be able
to "stand up to international competition" when they applied for contracts to continue with the ABC (PM ABC Radio 31 January 1984). He promised that "we are going to spend a great deal more money on training and retraining" (Scan 14 May 1983: 3).

Role Of Managers In Program Decision-Making

Geoffrey Whitehead has observed that "there's a lot of sniping in the ABC. Many staff think the managers are incompetent and some managers think some staff are aggressively political" (Sydney Morning Herald 25 November 1983: 5).

In political terms the most significant responsibility of ABC managers is deciding which programs will get to air. Managers portray this activity positively - they "encourage" creative workers and "assess" program ideas. Muldoon described management of as a "system of referral for creative staff getting into difficult areas" (1983).

Frustrated staff use different terms to describe the same activities - managers "censor" programs and diffuse an ethos of "political orthodoxy, cultural gentility, social conformity and hierarchical obedience" (Ashbolt 1980: 159).

Senior managers are the gatekeepers of material likely to be controversial. During the first years of This Day Tonight the prerogative to censor was exercised by the General Manager himself, though now that current affairs are an accepted part of ABC services few managers have the time to survey or intervene in specific ABC programs. Only when program-makers bring a problem to their attention do management become involved in editorial decisions. Ashbolt, however, sees management as being more directly involved in setting the tone for ABC programs. He has described ABC management as

... an elite corps occupying positions in which they can keep
material off the air, either by denying production resources, or slashing budgets, or by...censorship; it is usually called "program judgement". (ibid:158)

This power to censor material, even if rarely used, makes ABC senior management a logical target for political pressure. Clement Semmler, once Deputy General Manager of the ABC, claimed to have been phoned by an irate Australian Prime Minister, who complained about the choice of speakers in a current affairs program. The Prime Minister was dissatisfied with what had been arranged and wanted changes. Semmler replied that he would look into it and consult the powers-that-be. "You are the powers-that-be" roared the politician. "that's why I'm ringing you" (1981:32).

Semmler provides no evidence for this and other alleged attempts at political interference in ABC program decision-making. It could be argued that he over-estimates the power of individual managers to intervene in specific program matters: the work environment ethos of 'objective, impartial and balanced' programs which pervades the ABC and guides program judgements, the rule-bound nature of internal processes and the industrial power of production staff to resist orders they perceive as censorship all militated against arbitrary management intervention flowing from political pressure. Nevertheless, Semmler does point to the dangers of centralising decision-making within the highest level of ABC management, which makes a few senior managers particularly vulnerable to attempts at political interference. There is a possibility that key managers may attempt to minimise the risk of political pressure: senior management allocate resources within the organisation and so can pursue cautious policies. To achieve an image of being "above politics" and avoid upsetting public and politicians, ABC managers may have sometimes eschewed controversial matters. The organisation, it is frequently alleged, has engaged in self-censorship to avoid political entanglement - known within the ABC as the 'pre-emptive buckle'.
Production staff have found themselves frustrated when projects are curtailed or restricted: the result has been low morale and inevitably strained relations between production units and management. As Richard Boyer has noted, "creative people must be enthused, rather than directed, if they are to give of anything like their best" (1983:12). This clash of interests is perhaps inevitable, for managers and production staff are working toward different goals. As Professor Leonie Kramer notes:

The ABC has administrative problems which are inherent in its very nature as an organisation which provides information, education and entertainment, and which employs at the centre of its activities a large number of staff engaged in the production of programs – musicians, journalists, writers, producers, actors etc. For administrative processes tend toward order and stability: program-makers need an environment which allows them room to experiment, to investigate, even (though not too frequently, one hopes) to fail. So there is, and perhaps always will be, some tension between administrative necessities and program-making needs; just as there is a tension between programming independence and public responsibility; and between recognising both the rights and duties that flow from our position as a national broadcaster within a parliamentary democracy (1983c:129).

Managers are usually ex-broadcasters, older than the young turks of ABC television current affairs or ABC Radio’s Radio Hailcon. Managers work in offices often kilometres from the studio floor. Having reached positions of responsibility within the hierarchy, the ABC has become their career. It is their reputation as efficient managers – able to keep the ABC out of trouble – which decides their promotion prospects. Managers deal with the administrative side of the ABC. They become capable of working within a bureaucracy and its prevailing political climate. They may expect others to be as sensitive as they are in protecting the long-term interests of the organisation by not offending the paymaster.

Managers know that production staff do not understand the structural, political and administrative pressures on management: hence their tendency to talk of ‘creative’ staff as wild and imaginative but ‘undisciplined’, like
children. This attitude is embodied in the ABC's 1980 Submission to the Commission of Inquiry:

"...creative people emphasise the importance of imagination. They test ideas against what their instinct and their aesthetic judgement tell them. It is in the nature of their activity that they often know for certain that one program idea is better than another without being able, beyond a certain limit, to explain precisely why...their emotions are often involved in their work. (1980:48)"

Because creative staff are perceived as being 'emotional', management may feel it should exercise judgement on behalf of the whole organisation. The ABC submission continues: "Managers, more often than not, feel they should introduce some element of scientific analysis into the way in which they make decisions" (ibid:48). Management may, for example, decide not to go ahead with a particular program because it would not be politic at present to cause controversy. Management and creative staff are thus working to a different set of values and priorities.

The Internal Allocation of Resources

Successful delegation is the key to efficiently administer a large and complex organisation. Without delegation, an organisation is slowed by the constant need of its staff to refer decisions upwards and await approval. At the same time, the organisation must be accountable for the large amounts of public resources it consumes. Thus management requires control systems to regulate and monitor the activities it has approved.

The Dix Committee concluded that "the ABC has not managed its finances as well as it might" (Vol 1:14). The report noted that the ABC did not know the real cost of many of its activities and had few financial control systems in place.

There exist two opposing critiques of ABC resource management. Staff
argue that ABC managers lack financial skills but keep tight control over resources and so impede the organisation's effectiveness. Managers reply that they are only allowed inadequate control over money flowing through the organisation and so cannot control frequent extravagance by production units.

The first Board of Directors discovered an urgent need for financial reforms. In a memo to fellow Directors, Richard Boyer noted the ABC’s lack of credibility as an "efficient user of scarce public funds" (1983:4). Its use of resources has important political implications. The first, as Boyer points out, is that governments are unlikely to be generous at budget time to an organisation known for its "waste and ineficiency" (Dix Vol. 1:14). The second is the possibility that inefficiency has deprived the public of services and information. The third and most disturbing implication is the charge raised by Ashbolt that managers have used their control over resources to keep potentially controversial material off the air. Ashbolt points to the long list of proposed program ideas or existing projects scotched on financial grounds and suggests that resources are used to enforce "self-censorship" within the ABC (1980:158-159).

The control and allocation of resources within the ABC have historically been the responsibility of senior management, within broad policy guidelines set by the Board. Until budget cuts in the later 1970s, the ABC’s annual allocation from Parliament grew in line with inflation and rises in Australia’s gross domestic product. The ABC used a public service model of incremental budgeting to divide its income: divisions could look forward to predictable, steady growth where “if you’ve got a cake of a certain size from last year and its going to be increased by 5% then all the slices tend to be increased by 5%” (Newsom 1983).

Incremental budgeting helped preserve a status quo at the expense of new projects. Because it assumed that divisions required the same
resources this year as last, incremental budgeting did not encourage efficiency through re-assessing priorities or adopting new resource-conserving practices. Indeed incremental budgets invited divisions to protect their level of funding by ensuring that their entire allocation was spent before bidding began for the next financial year. Precedent became the basis for continued support. Management had only to justify its actions when it altered the allocation formula, so it had an incentive to resist change.

This static system could not survive a sudden reduction in overall available resources. In 1976 expenditure had to be cut, long-established projects were called into question and the competition for resources intensified. Such circumstances inevitably gave rise to suspicions of arbitrary or political resource choices: management, claimed its critics, was reducing funds for potentially controversial programs because it did not want to provoke further government displeasure.¹

The internal conflicts of that era broke down incremental budgeting and encouraged the partial emergence of a limited system of 'bidding' within the ABC. Specialist departments put up estimates of the new year's activities: division managers then bid for resources. The bidding system was never formalised or completed but it managed to introduce some competition for priorities. Though not as severe as a zero-based budgeting system, it "does at least mean that what is produced this year is not taken for granted next year" (Newsom 1983). The disadvantages of any bidding system is the dependence on advocates. It creates the risk that an articulate department head may be able to get a better deal for a department at the expense of others, though as one department head commented, "that's a better risk than the one we were taking by just drifting along".

¹This claim is assessed in chapter 3:1.
In the system which emerged, the final decision on bids belongs to the Managing Director and the Board. Each division is then allocated a budget and staff with expenditure co-ordinated through Head Office. Targets are set for production within each regional unit to prevent duplication of national services.

Earle Hackett argues that the crisis of 1976-79 revealed the inability of the then senior management to cope with change (1982). Management experienced difficulties with its financial responsibilities because it was not adequately trained and did not have the accounting or computing skills to properly control the flow of resources through the organisation. In a creative organisation, financial skills are not highly prized. Producers are remembered for the programs they make, not whether they came in on budget. Managers have been largely recruited from these production staff: they have entered a career path with little or no training. Individuals may have picked up some budgeting or accounting skills, but without systematic training they were unlikely to acquire the larger experience necessary to set up sophisticated financial monitor and control systems.

Financial experts recruited by the ABC's Finance Department or Internal Auditing Unit in the 1970s often found life frustrating. Management knew little about financial matters and did not prove overly keen to learn: the Acting Chief Internal Auditor complained that managers paid little attention to his recommendations unless he could find evidence of 'non-compliance' (Smith 1983). The Internal Audit Unit could not order changes when it uncovered inefficient practices within a particular section of the ABC: it relied on "management response" to its reports. The ABC's auditors knew they are not very influential in management decisions.

The attention of the Finance Department, the only other group of financial experts within the ABC, was primarily directed outward. The department was concerned with negotiating with the federal bureaucracy
over the annual budget allocation and then physically allocating the money according to the decisions of the Board and ABC management. Semmler argues:

A root cause of the ABC's problem with finance has been that those with specific responsibility in this field (accountants, budget officers etc) had little status or influence in the organisation, and any efforts they made to introduce normal techniques of financial management were frustrated, if not ignored. (1981:80–81)

The lack of interest in financial matters could be found at all levels of the ABC. The Director of Corporate Affairs did not know how the ABC allocated or distributed resources when interviewed. In the state branches there was considerable uncertainty about how financial decisions are made: branches found out their own budget from Head Office and endeavoured to remain within them. Those in Head Office with some financial experience expressed (in private) strong criticism of their numerous non-financially skilled colleagues: they identified a "...deeper failure to perceive how financial systems do work in other places and could work in the ABC".

The conflict between management and staff over the allocation of resources resulted in frequent arguments over resources available for particular programs. Administrators tried to hold down production costs while production staff used all available resources to produce the best possible product. This clash of interests - economy versus quality - inevitable caused friction. In a period of intense competition of priorities, creative staff resented management's upper hand: any attempt at financial curbs was seen as the actions of a "restrictive management - "they' who do not really understand what is involved in a 'successful' production" (Semmler 1981:75).

Management has lacked the financial skills to accurately assess costs, so the production budgets it has imposed have been, to some extent, quite arbitrary. Without financial responsibility there has been little incentive for
a production unit to strive to stay within set budgets or use the most
cost-efficient production techniques and locations. As Michael Willesee
commented when he left the ABC:

I am highly critical of the ABC. There is no TV network in
the world which spends so little of its overall budget on
programmes and no network which gets so little for the money it
does spend on them... I wasted a lot of money on Four Corners.
There was never any pressure to economise. In my time it was
common for a reporter to fly to Adelaide from Sydney with a crew
to interview one man for two minutes. And it could have been
done in Adelaide anyway. (quoted in Semmler 1981:80)

Thus the ABC justified both sets of critics of its financial performance by
being over-centralised and wasteful at the same time. Tight control over
initial allocation of resources increased the management workload.
Centralisation might have been an asset if management had the skills to
effectively control expenditure: because the ABC did not have total costing.
the use of studios, equipment and workforce was not counted as part of a
program's budget, management could not know whether resources were
being used effectively. Where there is no financial responsibility there is
no incentive to be prudent: hence a centralised non-skilled management
could result in considerable extravagance at the production level.

The Dix Report was sharply critical of management's inability to control
the flow of money through the organisation. It found over-centralised
control of resources and a management trying to administer finances
without the aid of training in accounting, computers, effective financial
monitoring systems or sufficient information about costs. The Dix
Committee took to task the refusal of management to make program
makers "financially responsible" (Vol 1:16). Their Report recommended a
drastic re-organisation of the ABC's internal financial procedures.
Production units should be freed from the need to refer to Head Office
over every variation in expenditure from an original estimates of costs.
Dix argued that more local control over resources would make producers
more efficient, flexible and potentially more creative.
In particular, the Dix Report criticised ABC management for its lack of sufficient information about costs. When Geoffrey Whitehead became Managing Director in early 1984, he discovered that nobody could tell him the precise cost of running the ABC’s six state orchestras (PM ABC Radio 31 January 1984). As Whitehead was quick to point out, without such information it is impossible to do cost-benefit analyses or assess whether a function is being performed efficiently. Neither management nor the public could know whether the taxpayer was getting value for money.2

To improve the management of resources, Whitehead ordered the ABC to adopt ‘output budgeting’, as recommended by the Dix Report. Every input to a program or activity, including the cost of studio time and personnel, will be priced. A producer is then given an overall budget and need only refer to management should the project cost look like exceeding its target. Output budgeting gives production units some independence while leaving management capable of supervising the flow of money.

Effective monitoring of resource use will require an integrated computer system so that management and production units can know at a glance whether they are within estimates. The ABC has formulated a strategic plan for introducing Automatic Data Processing (ADP) and a comprehensive “commercial financial reporting system”; these should be in place by 1986 (Duffy 1983d:1). These have long been standard practice in other public broadcasting systems, such as the BBC, and in most large Australian commercial broadcasting organisations.

“Inadequate” financial records kept by management were reported to have

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2 Myer blamed this lack of detailed financial information on the ABC’s cash accounting system which does not include credits and debits remaining at end of year, pre-payments of expenditure, accrued charges for salaries, depreciation of assets and values of stocks at hand. Myer indicated that the ABC will change to the standard business accrual accounting system during 1985.
filled Ken Myer "with alarm" when he first became Chairman of the ABC. His business experience made him very critical of the ABC's annual financial statement to Parliament: he warned that in future the ABC must present accounts identical to those of similar large organisations from the private sector (The Bulletin 5 July 1983: 33). Myer also gave notice that the ABC would begin more extensive long-term planning, despite management's traditional argument that this is impossible given the vagaries of an unknown annual budget. The corporate plan, the adoption of new financial monitor and control systems and the introduction of new methods of accounting, are all intended to improve the financial accountability of the ABC. They should also reduce inefficiency caused by over-centralised control over resources and reduce the risk of arbitrary management resource decisions for editorial purposes.

Problems in The Work Environment

During the Fraser era the ABC appeared to be an organisation in decline. Its output fell in the wake of budget cuts and staff ceilings. The organisation tended toward rigidity. Industrial disputes significantly increased - the staff were united in opposition to government policy but also divided in bitter demarcation disputes as each division fought to retain its shrinking resources. A host of experienced broadcasters left the ABC for lucrative contracts offered by commercial television and radio. They were followed by technicians, writers and support staff.

In 1981, the Dix Committee found an organisation suffering from a "widespread malaise" (Vol 1: 12). Poor morale, concluded the committee, "is symptomatic of deficiencies in the management practices and/or organisation structure of the body concerned" (Vol 2: 598).

In January 1976 the newly elected Fraser government had made the first of a series of reductions in the ABC's overall budget allocation. Funding fell over four successive years, with 1979-1980 the nadir of the ABC's
fortunes. These budget restrictions were part of an overall reduction in the public sector. Sudden financial constraints are difficult for a large, complex and inflexible organisation to sustain without drastic effects on efficiency. Broadcasting requires long lead-times for new equipment and projects. Capital has to be committed in advance. If there has been no time to plan and implement a progressive "run-down" after carefully evaluating priorities, savings can only be made at the margins (Duckmanton 1980:13). The ABC could not cancel equipment already ordered. Being part of the Public Service, it could not retrench redundant staff and so only by reducing output could it achieve a quick cut in expenditure. This inevitably generated inefficiency. The ABC completed the construction of some studios but lacked the funds to use them. Elsewhere studios had full production crews but no programs to make. As Duckmanton observed, the winding-down of program production made the staff resentful of management's cost-cutting exercises and badly affected morale. Employees felt they had less chance to develop their creative ideas and advance their professional careers (ibid:16-17).

The budget cuts of the Fraser government were accompanied by the imposition of staff ceilings set by Cabinet on all government departments and instrumentalities, including the ABC. The effects of staff cuts were aggravated by the requirement for reductions through "natural wastage". This was a random and destructive method of achieving staff ceilings which created significant imbalances between ABC departments. The "natural wastage" policy meant that the ABC

...does not itself determine the areas in which staff diminution occurs. The result of such staff loss in an organisation crucially dependent upon highly specialised and often unique skills compounds the problems of efficient operation, and limits progressive development. (Annual Report 1977-78:6)

Staff ceilings and Public Service Board controls were lifted with the passage of the Australian Broadcasting Corporation Act (1983). But the
external constraints inevitably left their mark. The first Corporation Board inherited an ABC depleted of many of its most talented staff and missing much of the advanced technology available to commercial rivals. The Board faced major industrial problems initiated or aggravated by the deterioration of the ABC work environment during the later 1970s and early 1980s.

**Internal Problems - Personnel**

The Dix Report noted the poor morale and inefficient use of human resources within the ABC. The Committee observed an increasing tension between staff and management:

...the level of morale in the organisation is poor to the point where its effectiveness is reduced. While the discontent remains largely hidden from the public who watch and listen to the ABC's programs, it is sometimes visible when industrial stoppages occur. While much of this may be caused by inadequacies in the management systems, there has also been a failure to recognise the vital role of the individual and to foster talent. ABC management is not as visible or accessible to its staff as it should be, and this has created a gulf between the two which has almost become an ABC tradition. In this gulf the feeling is generated that the organisation discourages talent and creativity while perpetuating the safe and unadventurous: "the mediocre appointing the mediocre" as one staff member put it... (Vol. 1:12)

Clive Speed was one critic who blamed management as much as budget cuts for the deterioration of the ABC. He left the ABC in 1981 after 11 years as producer of *PM*, blaming his departure on physical exhaustion brought on by "the frustrations of constant fighting with a complacent management" (*Sun Herald* 29 November 1981:9). His criticisms were echoed by the many staff who accused management of not sharing the burden of cuts.

The employees had plenty of time to contemplate their complaints - many had little to do in an organisation which could not retrench redundant employees but lacked the money to keep talent fully occupied. Semmler claims
...in one department alone with 17 producers and directors, and twenty-six script assistants. Since money for production had been cut short, one series only was produced in a period of six months. I uncovered the case of a producer in another department who had retired to a city flat to pursue other activities for nearly a year, returning to the ABC each fortnight only to draw his salary. (1981:78)

Those who remained within the ABC were troubled by an increasing disparity between the wages of creative staff and ABC managers. Until 1983, the ABC could only pay salaries approved by the Public Service Board. These rates rewarded managers with significantly more money than was paid to production staff. The differentials were strikingly emphasised in Steampower, an irregular and anonymous scandal sheet circulated amongst ABC staff. Whenever it mentioned a senior manager, Steampower included his or her salary in brackets - an invitation for staff to compare their highest attainable salary ($28 000 for a producer/presenter in 1983) with that of a senior manager ($50 000+ in 1983 for those at Division Head level). Steampower delighted in stories which emphasised the alleged self-serving bureaucratic nature of the ABC's senior managers. Frustration, poor morale and the relatively low wages of even the ABC's most popular and successful performers made them easy targets for commercial 'head hunters'.

The ABC also lost many of its production staff. After six years of training, an ABC Broadcasting Engineering Officer earned between $19 000 and $21 000 a year. Promotion after six years of service earned the most senior technicians, Broadcasting Engineering Officers grade 6, between $28 000 and $29 000 in 1983. By contrast, an experienced technician could earn $35 000 with a commercial broadcaster (Sydney Morning Herald 9 May 1983:16).

About half the ABC's Broadcasting Engineering Officers left the organisation. The "natural wastage" provision prevented the ABC replacing
its lost staff, so by the late 1970s there was a marked shortage of trained engineering personnel within the ABC. The shortage delayed production work and created industrial disputes, with the remaining engineering staff complaining of being "over-worked". The specialisation of technical officers, and the inability of management to resolve demarcation disputes between production and technical staff, hindered the internal transfers required to relieve an increasingly acute lack of trained personnel to operate and maintain production facilities.

The situation was not helped by decisions of the Commission and management to cut costs by reducing the training available at all levels of the ABC. When recruitment and training of new Broadcasting Engineering Officers ceased altogether in 1976, the remaining technical staff responded with a three year ban on all equipment involving new technology. Broadcasting Engineering Officers blamed the ban on "demarcation issues, salary relativities, inadequate staffing levels for the present and insufficient trainees to ensure effective staff levels for the future" (Dix Vol. 5: 26-27).

ABC annual reports continued to list the large number of "training and development activities" run in-house. Staff, however, believed that training was becoming a "neglected activity, underfinanced and understaffed" (NSW ABC Staff Association to the Dix Committee Vol. 2: 566). The reduction of training courses available after 1976 further reduced morale and inhibited career opportunities for employees, who had to wait for long periods to get into training courses necessary for promotion. Reduced internal mobility also affected the quality of ABC output.

Technical Problems

In the later 1970s the ABC, particularly ABC-TV, became well-known for its constant technical failures. The nightly spectacle of an ABC newsreader announcing a story and looking embarrassed when nothing happened became familiar. ABC staff would say "and then the rubber
band broke", indicating that outdated, inadequately maintained equipment had again broken down.

As Michael Carlton observed, in 1969 commercial television had been able to carry sound and pictures from the surface of the moon but in 1983 the ABC still found it difficult to co-ordinate simple link-ups between Canberra and Sydney for Nationwide. Carlton blamed the ABC's equipment, observing that Edison and Marconi "would likely find some of the gear quite familiar" (Sydney Morning Herald 25 May 1983:8). The Australian felt that the ABC's technical and human resources "inspire, in the main, either laughter or pity" and noted that "in wet weather it is impossible to guarantee the function of the main sound studio at the Gore Hill Sydney studios" (18 August 1984:15). When a production company, Crawfords, wanted to film an episode for a television serial in a pre-war radio studio, they used one belonging to - and still used by - the ABC.

In fact the ABC's technical problems were not solely due to inadequate equipment. Budget cuts had prevented the replacement of some equipment, while demarcation disputes amongst managers and staff kept urgently needed technology out of the studios. Preventative maintenance was reduced as an economy measure, increasing the probability of equipment breaking down on air.

Frequent equipment failure reflected on the professionalism of the ABC. It contrasted with the apparent slick operation and advanced technology of commercial rivals. The ABC newsreader - embarrassed because the Majestic Fm 680 - didn't play, a microphone would not work or the tapes of correspondents were lost - became a vivid public symbol of the organisation's decline.

A lack of capital funds to update production facilities also made it difficult for the ABC to buy or erect new buildings. An increasing reliance
on rented accommodation further dispersed ABC personnel. By 1983 the
ABC owned 77 properties in Australia and rented a further 97 properties
staff member observed about the organisation's operations in Sydney

Efficiency must suffer and needless expense must result when the ABC is housed in so many different buildings scattered all over Sydney. We have departments in Kings Cross, William Street, Elizabeth Street and other locations in the city. At St. Leonards we have Chandos Street and the Pacific Highway office buildings. Near Gore Hill is the Valetta Building in Campbell Street. Drama and TV Entertainment are in Dickson Avenue, rehearsal rooms are in Carlotta Street, Artarmon. Outside Broadcasts are situated in Cleg Street, the Arcadia Theatre is in Chatswood and the Film Studios are in French’s Forest. Not to mention the scenery storage warehouse in St. Marys. (These are the ones I know about!) As most of these buildings are leased, imagine the cost involved. (Dix Vol. 2:671)

Dispersement fragmented the ABC. Producers and production staff from many program sections seldom met to discuss common problems affecting their work. Senior managers were rarely visible in the studios and offices where most ABC employees worked. Dispersement increased the alienation of creative staff and shielded management from the practical effects of their decisions on the morale and operation of production units.

Industrial Relations

Suellen Corrigan was one of many employees who left the ABC during the Fraser era. She later described the environment in which she had worked:

The place was just appalling. Absolutely no sense of direction, no morale, no definition of what we were supposed to be doing... The stuffing has been knocked out with the money cuts. There's no emphasis on the quality of staff, people are just slotted to fill a roster. There's no promotion or encouragement of the staff. Promotion is according to who drinks in the cliques or has a wife and three children, not whether they're good, or eager, or quick. ("The Guide" Sydney Morning Herald 10 May 1982:4)
Many staff, like Corrigan, initially blamed external constraints for the decline of the organisation. To protest against government imposed budget cuts and staff ceilings, staff held stop-work meetings and strikes in 1976 and 1978. "Did you miss the ABC?...1600 Commission staff were prepared to forfeit a week's wage to alert the public to the dangerously run-down condition of the national broadcasting service" proclaimed a newspaper advertisement placed by Patrick White and 300 other "Friends of the ABC" in support of a November 1978 strike by the NSW ABC Staff Association (Inglis 1983a:422).

The government, however, did not budge and the focus of discontent turned inwards. The years between 1978 and 1983 were marked by an internal obstruction to change which reinforced the inflexibility of the organisation. Each division sought to protect its own interests. Board and management initiatives were viewed with hostility by divisions with a siege mentality about their resources and sphere of operations.

Divisional conflict extended to demarcation disputes between the various unions representing ABC employees, though these unions in turn blamed their industrial action on decisions taken by managers. ABC management and staff are represented by:

- the ABC Staff Association, which represents about 70% of ABC employees. The Staff Association is a federal organisation with branches corresponding to ABC offices. Its coverage extends to all employees of the ABC, with the exception of news journalists and reporters, actors, dancers, vocalists and various senior officers.

- the ABC Senior Officers' Association - virtually all 120 senior managers are members. Based in Head Office, it has no state branches.

- the Australian Journalists Association. There are about 500 AJA members employed in the ABC, with most working in the
News or Public Affairs Divisions. The ABC is the single largest employer of journalists in Australia. The AJA is a federal union of over 10,000 members.

- Musicians' Union of Australia. The ABC employs over 450 musicians, mainly in its state symphony orchestras. All are members of the MUA and refuse to work with non-members. The MUA is a federal union with around 15,000 members.

- Actors' and Announcers' Equity Association of Australia. Equity represents every type of performer in the ABC other than musicians. Most ABC Equity members are not permanent employees but are hired at casual rates for specific jobs with the ABC.

(Dix Vol. 5: 128-130)

With the removal of the Public Service Board scale of salaries in 1983, pay and conditions for all permanent ABC employees are set by federal awards and subject to decisions of the federal Arbitration Commission. Negotiations with unions are conducted in the first instance by an internal ABC Industrial Relations Department. The Controller of Industrial Relations is charged with a duty to "evolve, develop and implement industrial policy and practices throughout the ABC and to advise management on the industrial implications of major policy proposals" (ibid: 224). When industrial disputes occur, managers and even Board members may become involved in negotiations.

The Staff Association, which represents most ABC employees, has been able to push for participation in ABC decision-making. Staff are represented on ad hoc working committees, the Board of Management, the management consultative boards for radio, television and engineering and on the Board of Directors through their staff-elected Director.

The emphasis on consultation and negotiation reduces the scope for management to make unfettered decisions, but slows down decision-
making; it means the "authority of command is being replaced by that of consent" (Duckmanton 1980:11). While the claims of some managers that the Staff Association has become so influential it can obstruct unpopular decisions are somewhat exaggerated, it is true that management is usually careful to consult unions before announcing major decisions. Writing in The Bulletin, Anthony McAdam claimed that the ABC has "handed over more power to the Staff Association than has any other public body to a union" (25 January 1983:27), an assertion rejected by Professor Kramer (8 February 1983:29).

John Newsom compared the Staff Association with ABC management saying "both tend to sit back and react to events rather than try and shape them" (1983). "Any industrial group will be conservative about job descriptions and demarcation" says Secretary of the ABC Staff Association Nick Collis-George (1984). Professor Kramer was more forthright about the NSW Staff Association, which she believes holds "very conservative attitudes despite pretending to be radicals" (1984). The Staff Association has often reflected the rigidity and adherence to rules which mark the ABC. It has been staff as much as managers who have opposed structural change and viewed new technology with suspicion and hostility. This was most evident in the staff resistance to an Organisational Development Project where some staff felt that "humanising and democratising work was a management device to get more out of staff and dilute the benefits unions have won on behalf of members" (Dix Vol. 2:604).

Summary

By the end of the Fraser era, the morale of ABC employees was extremely low. The organisation had experienced budget cuts, staff ceilings, lost much of its talent and expertise and suffered the embarrassment of numerous equipment "gremlins". It was a less than ideal working environment. It had a structure which placed key managers
in vulnerable positions; there were accusations that these managers were using the ‘pre-emptive buckle’ to prevent clashes with government.

With the passage of the *Australian Broadcasting Corporation Act* (1983) many of the external constraints affecting the ABC work environment ceased to apply. Funding in real terms finally rose above the 1975-76 level and staff ceilings were lifted. The Public Service Board no longer set wages and conditions, so the ABC could pay for talent and offer financial inducements to keep or win back those tempted by commercial stations.

Nevertheless, an organisation with a "conspicuous failure in managing its human resources" (Dix Vol. 2: 562), requires extensive change to its structure and attitude if the work environment is to encourage creativity and good management. The reforms of Managing Director Geoffrey Whitehead and the first Corporation Board were intended to address these deficiencies in the national public service broadcasting organisation.

Ashbolt has argued that "the ABC is not managed efficiently. If anything it is over-managed, over-disciplined, far too tightly controlled" (1980: 159). His comments identify two salient features about ABC management. The first is that the structure of the ABC has traditionally concentrated responsibility for decision-making on a few senior officers. Centrally administered organisation and its resources made senior managers potentially vulnerable to attempts at political pressure. The second is Ashbolt’s identification of the long-standing reputation of ABC management as mediocre administrators. Notwithstanding the considerable constraints on good management, senior officers have created an atmosphere of inefficiency and timidity within the organisation. These combine to limit the scope of ABC activity and to frustrate – and even drive away – some talented production staff.

In the past, the inexperience of Commissioners and the ambiguity of their
role often worked against Boards exerting control and imposing policies on ABC management. The reforms announced by the first Board of Management in January 1984 recognised the failings of the old style ABC public service administration. The Chairman and Managing Director announced structural and personnel reforms intended to “turn the ABC around”. Their three year plan envisaged decision-making and control of resources being decentralised with ABC management positions no longer tenured but held on limited contracts. The Board planned to install new financial monitoring systems and produce multiple centres of authority within the organisation to reduce the vulnerability of individual managers to outside pressure. Myer is optimistic that these fundamental changes will improve the ABC’s output. His enthusiasm must be balanced against the observation that the Board is up against “the entrenched inertia of a big managerial bureaucracy that has fought many power struggles and always come out on top” (Sydney Morning Herald 4 February 1984: 33).
Chapter 3

THE PRODUCTION OF POLITICAL PROGRAMS
"The job of the ABC" Chairman Sir Robert Madgwick told the National Press Club in 1972, "is not to express opinions or to editorialise, but to act as a forum". To do so, said Sir Robert, the ABC must be independent - free from government censorship so it can produce programs which are balanced and neutral (1972:6). The sustaining ideology of public service broadcasting, the legislative device of a statutory corporation and the expectations of Parliament and public all demand functional independence for the ABC. It is an organisation whose raison d'etre is its ability to make programs without fear or favour.

The comments of Sir Robert Madgwick aptly summarise the ABC's intended function, but also raise the problem of assessing how closely the ABC comes to fulfilling this role. The level of government and management interference in ABC decisions about who should have access to "the forum" is not easy to establish. The nature of program decision-making makes it difficult to separate fact from rumour: incontestable proof of outside interference in the ABC's functional independence is very hard to produce. Ken Inglis has noted:

The difficulty goes beyond missing pieces of evidence. If government pressure can be documented, that is conclusive. But if it cannot, it may nevertheless have been exercised by means impossible for a later observer to detect (unless someone owns up), or it may be that people in the organisation acted in anticipation of government pressure, or in the knowledge that men in power would not have wanted certain material broadcast if they had known of it. (1980a:26)

There have been unambiguous attempts by governments to censor the ABC, both through the statutory device of a ministerial directive and through less formal pressure. Such attempts, however, have been rare and often unsuccessful, usually because government threats have been
exposed by the commercial media. Public expectation of functional independence for the ABC has provided some protection from political pressure.

There are problems, however, documenting censorship which may occur from personal initiative by ABC employees - the famous 'pre-emptive' buckle in expectation of a hostile government reaction. Only by examining ABC program decision-making is it possible to assess the scope for internal and external censorship. This chapter surveys the institutional setting of functional independence. It argues that the environment in which program decisions are made, the constant tension between management and production units, the distance of the Board from production decisions and the political consequences of attempted interference all make it difficult for politicians to intervene in specific program matters. Through discussion of program practice and case studies of contentious decisions this chapter assesses the scope for functional independence for the ABC.

The Growth of Information

The Dix Committee concluded that the 'primary role' of the ABC should be "the provision of news, information and comment" - precisely those areas likely to embroil the ABC in political controversy (Vol. 2:184). In the 1980s the ABC enjoys an established role of providing a wide range of news and current affairs programs. This has not always been the case. Alan Thomas and Ken Inglis have documented the ABC tradition of being wary of programs likely to arouse the displeasure of politicians: "of all programs talks were the most likely to cause trouble to ABC administrators, for any serious expression of opinion might be controversial; and controversy was something to be either avoided or assembled with care" (Inglis 1983a:30-31). The shift from avoiding controversy to fostering public discussion was gradual. Alan Thomas noted that when the ABC began in 1932:
Only a tiny percentage of broadcasting time was devoted to
talks, partly because they were dubious audience pleasers, but
also because the ABC wished to eschew broadcasting items which
might attract government attention. With institutional survival far
from guaranteed, it was easier to play music. (1980:41)

Inglis notes several occasions on which an early General Manager of the
ABC stopped material going to air, ruling that it was "scarcely the
Commission's place to criticise the actions of the constituted government"
Professor MacMahon Ball stated emphatically: "The ABC exercises active
and continuous censorship over broadcast talks" (quoted in Ashbolt
1980:158). The same year witnessed the irony of ABC Chairman Cleary
banning sections of a talk by Judge Foster on 'Freedom of Speech'
because the address referred to censorship by churches and government
(Rydon March 1952:21). Foster later wrote: "It is a little humourous
perhaps to contemplate a broadcast upon free speech under restrictions
that are so obviously a denial of it" (Inglis 1983a:62).

From 1947, at the direction of the federal Labor government, the ABC
launched its independent news service. When Australian television began
in 1956, ABC Chairman Boyer did not want news on ABC television. His
opinion did not prevail and ABC-TV began with daily 15 minute news
bulletins; by 1961 ABC television news was the organisation's most popular
program (ibid:211-213).

In 1960 the ABC, encouraged by the success of television news and
looking for a way to transfer talks from radio to television, decided to
adapt the popular BBC television current affairs program Panorama. On
Saturday 19 August 1961 at 10:00 pm the ABC launched Australia's first
national current affairs program, Four Corners. Though ABC management
vetoed some subjects as too sensitive, Four Corners was nevertheless soon
"eroding old inhibitions" within the ABC and providing a new information
service for Australians (ibid:215-218). The Commission did not relax its
rule that politicians could only be interviewed on the ABC with the permission of the General Manager.

Four Corners inevitably provoked controversy. In August 1963 there were allegations that a Four Corners report produced by Alan Ashbolt was critical of the Returned Services League. Prime Minister Menzies asked to see the script and Ashbolt was transferred to other duties. Semmler quotes Menzies telling ABC executives: "I know, and my ministers know, that the sole reason for that wretched program on the ABC is to discredit me and my government!" (1981: 28-29).

Four Corners attracted large audiences and commercial imitators. In 1964 TCN9 launched Project 64 and ATN7 began Seven Days. The current affairs 'boom' of the 1960s was under way, soon aided by satellite technology, video tape, portable sound recording equipment and increasingly mobile television cameras. In 1965 TEN10 began Telescope, Australia's first daily television current affairs program. In 1967 the ABC responded with This Day Tonight, each week night following the 7:00 pm national ABC news. The same year AM began on ABC radio. It was followed in 1969 by PM and a new emphasis in ABC radio on information and current affairs.

The ABC began the 1960s still using its traditional format of short radio talks and news commentaries; it finished the decade with a full complement of television and radio current affairs programs, all rating well for the ABC and embroiling the organisation in frequent political controversy. These new current affairs programs changed the ABC. Confronted with the immediacy of the electronic media, which could interview a politician live to air with no chance for management vetting of questions, the bureaucratic restrictions on program-makers changed.

Given the wide range and scope of daily ABC current affairs programs
there was no longer time for managers to read all scripts of talks and commentaries before transmission, nor to approve the selection of every speaker. Management still enunciated policy which had to be observed on all ABC programs. When reporting the Vietnam war, for example, and discussing Australian casualties, ABC journalists were not allowed to use the word 'conscript'. In 1972, after making only three episodes of the political satire Our Man In Canberra, ABC management vetoed the program as inappropriate for an election year (Canberra Times 1 July 1982:12).

Management's function, however, was changing. The direct concern with program content was being replaced by a concern with establishing the boundaries permissible for ABC program-makers and disciplining producers judged to be breaking the spirit of edicts about 'balance' or acceptable topics. No manager could be aware of the content of every program: instead they had to trust the judgement of producers and offer guidance only when they perceived repeated problems with a particular program. The emphasis changed from direction to reaction. The very pace of the new programs forced management to devolve responsibility to production units. A reduced role for managers made them less vulnerable to politicians hoping to pressure ABC executives into intervening in the content of specific ABC programs.

Television current affairs programs transformed Australian politics. Prime Minister Menzies disliked television and avoided appearances whenever possible. In 1952 he told a visitor from the BBC: "I hope this thing will not come to Australia within my term of office" (Inglis 1983a:193). Menzies belonged to a generation which knew politics as public speeches and parliamentary procedure; he was uncomfortable with the demands of the electronic media and the new environmental 'quality of life' issues being pursued by Four Corners reporters. The media were becoming more sophisticated to meet the needs of an increasingly educated electorate. With the emergence of television and radio current affairs
programs conservative politicians lost control of the presentation of politics and so, indirectly, of the political agenda. With ratings of *This Day Tonight* providing growing evidence of public interest in current affairs, and a new generation of politicians, led by Gough Whitlam, who understood the electronic media and could make use of television to reach the electorate, the power balance between politicians and media subtly shifted. Before the advent of the electronic media a politician could refuse to comment and retain plausibility. On television, however, a refusal to comment or appear often seemed like admitting guilt. Politicians had to learn to cope with the intrusion of television cameras, with the necessity to encapsulate their comments into 30 second 'grabs' for inclusion in radio news and with the constant scrutiny and superficial authority of an electronic press gallery with instant access to the nation through the nightly news and current affairs programs.

Not all politicians found it easy to accept the transformation. Ministers were used to being treated with deference by the press. For politicians, radio and television studios were unfamiliar territory where the journalist was now in control. ABC television journalists could not be constrained by a word to their editor in the same way as their commercial colleagues: "harmless as the ABC reporters were, they seemed often more 'aggressive' when compared with the even tamer commercial journalists" (Mayer 1980: 551). During the Gorton and McMahon governments there were frequent charges by L/NCP ministers that the media in general – and the ABC’s *This Day Tonight* in particular – were working in the interests of the ALP. When Postmaster-General Hulme tried unsuccessfully to cut $250,000 from the ABC’s budget for current affairs television programs in 1970, his act was a recognition that the power to create and control issues had passed from politicians to the media: "Hulme’s threat could well be interpreted in retrospect as a jittery punch thrown by a government beginning to sniff defeat" (Inglis 1983a: 328).
In a 1971 article for *Quadrant*, Sydney academic George Shipp developed the argument that *This Day Tonight* was undermining the conservative consensus in Australia. Shipp claimed that current affairs reporters tended to be negative, reporting the faults rather than the virtues of Australian society. He alleged that *This Day Tonight* demonstrated a "systematic bias" in emphasising "certain stories: censorship, the treatment of Aborigines and attitudes toward colour, deficiencies in social welfare, dissent and the conflict between civil liberties and the needs of the state" (1971:26-27). Shipp charged *This Day Tonight* with favouring the concerns of "humanist moralism" and "left liberalism" (1971:28).

If the ABC is seen to be editorializing then it can no longer justify its independence from government. The public service broadcasting mandate for independence can only be maintained as long as the ABC is neutral. As George Shipp observed:

> The least desirable and justifiable consequence of a finding of bias would be a governmentally-inspired attempt directly or indirectly to interfere in either the ABC's staffing arrangements or its programming policy. The autonomy of the ABC, as that of the Universities, is of the greatest importance. But neither institution's right to self-government is an unconditional one: it is a right properly claimed to enable these institutions to perform their distinctive functions. To the extent to which they are shown to be failing in some central respect, to that extent is the prima facie claim to independence weakened. (Shipp 1971:32)

Successful ABC boards have displayed acute sensitivity to any suggestion of program bias. In his brief stint as an ABC Commissioner, David Williamson noted that some on the Board seemed only interested in "left-wingers working in current affairs" to the detriment of their wider duties (Williamson 1982). During Leonia Kramer's term as Chairman, the Board had a regular agenda item on 'program policy' to allow Commissioners to express their views to management about particular programs: on some occasions the Board required a producer to explain his or her actions and listen to Board criticisms. Kramer, however,
believed that the problem of editorializing staff was fundamentally a "management decision. The Board shouldn't be consulted" (Kramer 1984).

Criticism of bias in ABC programs has tended to focus on specific ABC radio documentaries and news commentaries. Claiming to have perceived a left-wing bias in ABC news, one Quadrant critic wrote:

I believe, and anything stronger than a belief would require a PhD. thesis, that there is a bias, given the tendency of journalists to be leftish in politics and the difficulty in electronic media of removing bias by editing. (Minogue 1975:11)

Minogue's assertion was taken up in more detail by self-proclaimed 'media watchman' Anthony McAdam. Writing in The Bulletin, McAdam claimed to have uncovered a "gradual expansion of the influence of Marxists and Marxist ideas in the ABC" (25 January 1983:25). McAdam identified the key figure of this infiltration as Alan Ashbolt, the former head of ABC radio's Department of Talks and Documentaries. Ashbolt retired from the ABC in 1978 and has since been one of its most thoughtful and persistent critics. McAdam named producers trained in Talks and Documentaries as "Ashbolt's kindergarten" and implied that "flagrant rigging" of current affairs and discussion programs and "propaganda clearly hostile to the values and institutions of liberal democracy" occurred under the direction of these "kindergarten graduates" (ibid:25).

This line of criticism, which has persisted since the ABC moved into wide-ranging current affairs programs, assumes that people holding 'left-wing' opinions are incapable of acting as professional broadcasters who separate their opinions from their work. It assumes that they intend to use the ABC as a vehicle for propaganda and ignores any attachment to the traditions of public service broadcasting. It also assumes that individuals can flagrantly and persistently ignore ABC program policy guidelines without action. Certainly it can be difficult for management to
impose its will in a specific case. Yet the career of McAdam’s protagonist, Alan Ashbolt, indicates the efforts made by ABC management over several years to isolate a man they believed did not always conform with policy guidelines on objectivity, impartiality and balance. Ashbolt had a high profile outside the ABC as a polemicist and political activist: ABC management apparently felt that the public might find it difficult to “dissociate Ashbolt the private citizen from Ashbolt the ABC senior officer” (Inglis 1983a: 312). Semmler observed that for many years “...the Ashbolt problem featured in most Commission meeting agendas. How could they rid themselves of this turbulent priest? Staff rules and regulations were pored over, the advice indeed of the Crown Solicitor was sought” (1981: 36). Ashbolt spent a career being moved from program to program, from department to department in order to keep him out of controversial areas:

The ABC kept putting him in little boxes to contain him: he would quickly make that box the liveliest, most intellectually exciting place in the ABC. Eventually the ABC gave him high blood pressure and forced him to retire because of bad health.” (McQueen 1982)

Responding to McAdam’s accusations of Marxist influence in ABC programs, ABC Chairman Professor Leonie Kramer noted that McAdam could only point to nine programs in two years as being biased – hardly a significant sample of ABC output. She asserted that neither management nor the Board tolerates any actions “which are in contempt of the Commission’s ground rules for broadcasters throughout the organisation”; in her opinion it was neither reasonable nor just to assert from a few examples that an organisation of 6 300 people was “permeated with political activists”:

I hope Mr. McAdam will not exchange his role as program critic for the dubious one of witch-hunter. If our programs fall short of our own standards of dispassionate analysis and presentation, let him tell his readers so and invite the program-makers to prove him wrong. But let him not condemn
the whole by selective references to a part or himself become illiberal in defense of a liberal democracy. (The Bulletin B February 1983: 29-30)

Accusations of bias from politicians and observers prompted repeated statements to staff about the need for objectivity, impartiality and balance, but critics did not dissuade the ABC from its commitment to provide a comprehensive information service. Instead representatives from the organization attempted to explain the new role. Chairman Sir Robert Madgwick pondered on the growing antagonism between politicians and the media when he addressed the National Press Club in September 1972. Affirming the ABC's commitment to objectivity and noting the tendency of politicians to accuse the media of bias when they felt reports lacked 'sympathy', Sir Robert concluded that the role of the media as an impartial if critical observer made it "always likely to be at conflict with government or at least to appear to be" (1972: 4).

By 1972 the issues and treatment politicians would tolerate from ABC programs had increased greatly, probably aided by exposure to similar programs on commercial stations. Ministers no longer disputed the legitimacy of ABC reporters questioning government decisions, though the familiar charge of a left-wing bias in certain ABC programs remained. Patricia Edgar suggests that only after 1975 did conservative governments make a more determined attempt to rein in the activities of the ABC. The ABC, she noted, played a

...central role in the politics of the 1970s, as it should have been expected to, but that role was controversial and led to considerable discussion and debate within government circles about the future role, structure and operations of the ABC. The debate resulted in, and was formalised by, the appointment of a Committee of Review "to examine all aspects of the ABC's activities". (1981: 9)

It has been claimed that the budget reductions, staff ceilings and bureaucratic impositions of the later 1970s were designed to intimidate the
ABC into toning down its current affairs programs. Certainly the restrictions on overseas travel, the lack of funds to buy new equipment and the constant drain of talent from the ABC inevitably reduced the range, scope and quality of ABC news and current affairs programs. The arena of political debate, however, had greatly changed in the decade since Hulme tried to cut the ABC television current affairs budget. In 1970 there was probably substantial support for Hulme’s actions from that section of the population, following George Shipp, for whom the very act of raising new issues for the political agenda could seem subversive. Hulme looked back to a time when the ABC avoided political controversy. A decade later, at the time of the Dix Committee, the electorate expected critical analysis from the ABC. Any attempt to suppress a story on the ABC would itself become a political issue, reported by the plethora of commercial television and radio news and current affairs programs. The daily flow of information to Australians was far more than any politician could hope to monitor, let alone control.

A reduction of ABC current affairs programs in 1970 would have made a major impact on the information and analysis available to the community, but by 1980 silencing the ABC would no longer remove most news and current affairs from the airwaves. The commercial sector had entered the information market. Some capital city commercial radio stations had stopped playing music altogether, preferring a steady diet of news commentary and talk-back discussion. Commercial television also emphasised current affairs programs because they were “relatively cheap to produce. And the theorists have long maintained that topical programs have a much better chance than soaps and quizz shows of beating back the threat of the video invasion” (Holmes “The Guide” Sydney Morning Herald 2 July 1984:5). By 1984 one Sydney television station was showing three hours of news and current affairs daily; Channel 7 began the morning with 11 AM, half an hour of National News at 6:30 pm.
followed by 30 minutes of Terry Willessee Tonight and finishing its daily reports with the late night, hour-long Newsworld.

The commercial media might not be as independent, wide-ranging or reliable as the ABC but it nevertheless offers other voices scrutinising, analysing and reporting on the activities of the body politic. At times of controversy about the ABC's independence, the commercial media has often focused on the national broadcasting organisation, adding pressure to the ABC to live up to its obligations to resist political pressure.

In this competitive environment are made the ABC news and current affairs programs which might attract the wrath of politicians. It is now accepted that the ABC has a legitimate role as a source of information and analysis; since 1983 the organisation has been required by its enabling legislation to produce news and information which is "accurate and impartial according to the recognised standards of objective journalism" (s.3.1c). With public expectations of independence and constant media focus on the ABC, any politician contemplating interfering with ABC decision-making must weigh the potential gains against the public humiliation of being caught trying to pressure the ABC.

Attempts At External Censorship

Despite political acceptance of a legitimate ABC role in news and current affairs broadcasting, and despite the legislative and public expectation of ABC functional independence, governments have attempted at times to interfere with ABC program decision-making. The public record suggests a long list of failures by governments to impose their wishes. No

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1 The debate about the comparative influence of the ABC and commercial media is long, circular and irresolvable. In their book Australia's Commercial Media, authors Donnay and Wilson ignored the ABC altogether, on the grounds that they were interested in "the structure of power in Australia and see the commercial media as immensely more powerful than the ABC" (1983:viii).
documents or evidence, only rumour, implies a parallel private record of successful and discreet government intervention over specific ABC programs.

In 1984 the combined current affairs, news, talks and documentaries of the ABC accounted for less than 20% of total airtime. Yet it has always been such programs which attracted the attention of politicians, who have focused on a small part of the ABC's output at the expense of discussion about broader programming issues. Aside from occasional criticism of the ABC for giving too much prominence to sport or British comedies, few politicians or media critics spend much time dwelling on the way the ABC allocates its resources to serve some special interest groups. The rural community, for example, has always been well-represented in ABC programming but trade unions have not. Lovers of classical music have been well-served at the expense of other forms of entertainment. An emphasis on sport - sometimes covering events which also appear on commercial stations - commits airtime which might be used for other types of programs. These judgements by the ABC about what should be available to the Australian public, about which interest groups should be served, are rarely questioned.

This is partly because the ABC has educated its audience to expect certain types of programming from public service broadcasting. The ABC, as a creature of Parliament, also reflects in its programming the national distribution of power and the nation's prevailing ideologies:

...the entire debate about the ABC's bias toward this or that parliamentary party diverts attention from the fact that the ALP, the L/HCP and the ABC share one over-riding characteristic - they are all parts of the capitalist state and, in their different ways, help maintain the rule of capital. (McQueen 1977:94)

ABC programming reproduces the values, myths and beliefs of Australian society. Program decisions are made by a Board, management and staff
who articulate those social values through their work. Because the ABC mirrors the position of important interest groups and pervasive social values, its range of programs rarely becomes a political issue. Only ascendant interest groups wanting more representation will challenge the ABC's allocation of airtime. Because Australians take the ABC's range of services as given, the concern of politicians and the public has rarely strayed from the narrow issue of the representation of politics on ABC programs.

The *Australian Broadcasting Corporation Act* (1983), like previous ABC legislation, enables the Minister for Communications to issue directives to the ABC. Section 78 of the Act allows the Minister to order or suppress the broadcast of any matter "in the national interest". Such a directive must be tabled in both Houses of Parliament within seven sitting days. Other than ministerial directives in the national interest, "the Corporation is not subject to direction by or on behalf of the Government of the Commonwealth" (s. 78.6).

The last ministerial directive was issued to the ABC in 1963. The ABC had purchased a BBC film interview with former French Premier Bidault, recently exiled from his country under threat of arrest for treason. The interview was scheduled for ABC television on Sunday 10 March 1963 but did not appear; Postmaster-General Davidson had issued a directive that the ABC not show the film "on the ground that it was offensive to a friendly nation" and would affect relations with French President Charles de Gaulle (Inglis 1983a: 252).

The PMG had not exercised his legal power to issue directives to commercial stations on the same matter and that night the film was played in full on Sydney commercial television station TCN9. ABC General Manager Charles Moses had alerted station owner Frank Packer about the film and given him a copy (Semmler 1981: 23). The PMG then issued
directives forbidding use of the film on commercial television but HSV7 in Melbourne put it to air before the message arrived. Transcripts of the interview appeared next day in most newspapers. "The ban was withdrawn on 17 March, having proved ineffective, and the ABC duly put on the interview" (Ingils 1983:253).

The Menzies government found it easier to restrain the ABC through administrative means than ministerial directives. In 1960 the ABC signed an international agreement to make a documentary about relations between Canada and the USA, to be called Living With A Giant. The ABC had recently come under the provisions of the Public Service Board and so its officers needed the permission of the Overseas Travel Committee to fly to Canada to make the program. Cabinet declined to approve the travel. PMG Davidson wrote to the Chairman of the ABC explaining that while the Government did not want to interfere in the independence of the Commission, it was undesirable that an instrumentality "identified in the public mind and internationally with the Government of Australia, should make itself responsible for television films relating to matters of great international delicacy" (ibid:248). ABC Chairman Richard Boyer died during this dispute; if a heart attack had not intervened he well have resigned in protest at the government treating the ABC as part of the Public Service. Eventually British television company took over the ABC's contract and made Living With A Giant. The program, described as "not very exciting and not terribly provocative", was shown in full on ABC television in 1962 (ibid:252).

The same concern with Australia's foreign relations apparently impelled the Whitlam government in 1974 to attempt to persuade the ABC not to show a film on the People's Republic of China made by Italian director Michelangelo Antonioni. Chinese diplomats had indicated their displeasure with the proposed screening and the Australian government was anxious not to upset newly established diplomatic relations. Former Deputy General
Manager Clement Semmler claims to have been present when "a senior Cabinet minister rang (ABC General Manager Duckmanton) on his private line and made it quite clear that he and the government would be most upset and displeased if the film were shown". Semmler also alleges that sections of the film were withdrawn by management from screening on *This Day Tonight* at the last moment (Semmler 1981:25).

ABC management referred the issue and, presumably, details of any informal message from the government to the Commissioners, who watched the film on 6 June 1974. In the absence of a ministerial directive banning the film, the Commission authorised that it be put to air in full. The only repercussion was that ABC correspondent Raffaele "and two correspondents of Australian newspapers were virtually confined to their apartments in Peking for the next six months" (Inglis 1983a:338).

The concern that the ABC will damage Australia’s international relations appears to have been the primary motive behind attempted government interference in ABC program matters. Perhaps politicians fear that nations without experience of public service broadcasting will assume that any critical comment on the ABC represents official Australian government policy. British Prime Minister James Callaghan addressed this problem when opening new BBC Headquarters in Manchester on 18 June 1976:

> In this country it is the broadcasting organisations which are responsible for program content. Sometimes your decisions and actions give me pain and I find myself having to explain to overseas countries, when they are hurt by what you say about them, that the Government does not control you. Even when I have convinced them of this they still think the Government could do something to stop you if it had the will. I then go on to say that, domestically, you and we sometimes have differences but that none of these differences has ever disturbed the fundamental principle that the influential medium of broadcasting is free from political control and will so remain. (*BBC Annual Report and Handbook* 1984:156)

Some challenges to the ABC’s right to functional independence are more
domestically orientated. In March 1975 NCP Country Party MP Peter Nixon began a year-long attack on ABC programs. He accused ABC news and current affairs journalists of being "pinkos and out-and-out socialists", of broadcasting the views of Communists and of accepting political directives from the ALP Government (White 1975:22-23). Nixon promised that a future L/NCP Government would hold an inquiry into the ABC news service. His remarks prompted the ABC Commissioners to note in their annual report that critics frequently forget that the community has a right to hear from different points of view, broadcast by an ABC which is committed to "neutrality" and an "accurate accounts of events". The Commission cited analysis of complaints received about the ABC's reporting of the federal election in May 1974. Of 811 complaints received, 399 accused the ABC of bias against the ALP while 412 argued that the bias had been against the L/NCP coalition. The Commission re-affirmed its confidence in the professionalism and integrity of its staff (Annual Report 1974/75:11-12).

Nixon was not persuaded and his attacks continued. Nixon's motives were two-fold: to frighten the ABC into retreating to a more conservative range of programs, and to paint a picture of an ABC so hopelessly biased that a future L/NCP government would be justified in directly intervening to 'restore' the balance. Nixon's criticisms were discussed at the Commission meeting of 11 November 1975 (Minutes item no. 18460). Commissioners were shown figures on the appearance of politicians on news and current affairs programs during the previous month which suggested that "the allegation of pro-ALP bias could not be sustained. In fact, more time had been given to statements and/or appearances by L/NCP members than to ALP members" (Minutes:9).

During these discussions the Commissioners learned of the dismissal of the Whitlam government and its replacement by the L/NCP Opposition as a caretaker government. Nixon was now caretaker Postmaster-General with responsibility for the ABC. Nixon had intensified his campaign against the
ABC in the last days of the Whitlam government, claiming that “a cadre of backroom ALP supporters in the ABC had irresponsibly distorted national political events. Australians are being subjected to a devious...mastery planned, program of public deception channelled through areas of ABC News and Public Affairs, on both radio and television” (Harding 1979:30). As caretaker Postmaster-General, Nixon immediately called for a ‘moderator’, perhaps a judge, to restrain the ABC’s “now well-established bias towards Labor and the socialist side of politics” (Inglis 1983a:387). Coalition leader Fraser did not back the idea, however, and no moderator was appointed. Nevertheless, ABC Commissioner Richard Harding claims that ABC senior management, “fearful of the future and recognizing, doubtless, the exposed position in which Labor had left the ABC, now set out to appease the rightist critics”. Programs discussing Whitlam as Prime Minister were postponed. New guidelines on balance reduced the critical content of ABC programs. The consequence, claims Harding, was that during the 1975 election campaign the ABC was ‘neutered’: “Mr Nixon must have been well pleased with the fruits of his campaign” (Harding 1979:32).

In the years of L/NCP government which followed, the ABC was disciplined by funding cuts and administrative restrictions. Nixon’s call for an inquiry into the ABC was answered twice - by the Green Inquiry in 1976 and by the Committee of Review established in 1979. Both inquiries were followed by legislation to significantly reshape the organisation. There is no evidence, however, that the government hoped to use the squeeze on resources to obtain favourable treatment in particular programs. Rather the intention of the power bloc within Cabinet which was hostile to the ABC - identified by Harding (1979:117) as Fraser, Anthony, Nixon, Withers, Carrick and Cotton - seemed to run deeper. The government did not just want to eliminate those programs such as ABC radio’s Broadband which it identified as left-wing. Rather the
government wanted to reduce the entire scope of the ABC's activities, to reverse the expansion into adventurous current affairs programs which had characterised the 1960s. It sought a return to the conservative status quo in politics, to be "accompanied by a return to conservative broadcasting" (ibid: 116). The government succeeded in demoralising the ABC, reducing the quality of its output and setting the stage for a complete restructuring of the organisation following the Dix Report. Whether ABC programs declined in analytical insight or range of issues during the period is, ultimately, a subjective judgement, but the available evidence does not suggest any significant reduction in program scope which can be directly linked to financial restrictions.

The history of the ABC in the decades since the independent news service was established in 1947 suggests that governments find it difficult to intervene in specific program matters. Even with a ministerial directive the Menzies government was unable to prevent a filmed interview reaching the Australian public. These failures reflect the strength of the device of a statutory corporation in protecting internal program decision-makers from short-term political pressure. The experience of the later 1970s, however, demonstrates that government funding and bureaucratic restrictions make the ABC rather more vulnerable to a sustained campaign to run down the organisation.

The Program Decision-Making Environment

Having surveyed the largely successful record of the ABC in surviving external political intervention on specific programs, the focus of this study of the ABC's functional independence now shifts to the work environment. An understanding of how program decisions are made and implemented highlights the difficulties for external intervention. The study reinforces the observation of earlier chapters that the ABC Board does not often become involved in specific program decisions. that ABC management performs a supervisory rather than directive role and that there is little direct pressure
politicians can bring to bear on ABC production staff whose career prospects are protected by the legislative device of a statutory authority. Primary responsibility for program decisions is seen to rest with executive producers and production units. These operate within an organisational ethos of "professionalism" which places emphasis on objectivity, impartiality and balance as goals for all ABC news and current affairs programs.

In theory the program decision-making environment is established through broad guidelines on policy approved by the Board of Directors. These guidelines are translated by management into program briefs and duty statements and finally by production units into programs. The Board does not see all ABC output or try to assess all new program ideas. Richard Boyer believes that no ABC Director can hope to "significantly impose his artistic or program judgement on programmers". He compares the influence of an ABC Director to that of a newspaper proprietor over journalists - not to write every story but to create the broad framework of policies within which staff must work. "You have to let programmers have their head or they just lose interest and motivation... the role of the Board is to provide 'broad guidelines'" (Boyer 1984).

Only very contentious programs or issues are likely to be referred up the lines of authority from production units through management to the Board for an opinion. When this occurs, such as in April 1983 over the Four Corners program "The Big League", the Directors view the program, consider recommendations from management and express an opinion. The ultimate decision about whether a program goes to air, however, belongs to management. The Board will be reluctant to discuss any program not referred to it by management, though once given a reference the Board will comment on a specific program and send messages back to the production units. "In doing so", says Inglis, the Board "make frequent crossings of that vague and wobbly line between policy and execution" (1980a:22).
In May 1981 the ABC produced a document entitled *Program Policies and Practices For Radio and Television* which aimed to "set out the program policies of the ABC - some of which date back to the establishment of the Commission, in 1932" (ABC 1981c:1). The Dix Committee praised an earlier version of these policies and practices as an "ambitious and commendable" attempt to "resolve the acutely difficult questions facing public service broadcasters: how to reconcile the formal responsibilities of the governing body for all broadcast output with the fact that individual human beings must be the ones who, subject to editorial guidance from their superiors and ultimately the governing body, perform the broadcasting activity" (Vol. 2:197).

The 1981 document, which remains in force, sums up ABC policy on programs, interviewing techniques, violence in television programs, broadcasting and the law, advertising and the ABC, election broadcasts and other program practice which has evolved. The merits of these policies have been much debated within the ABC, for they sum up the aims and restrictions of ABC program-makers and assert the right of management to offer advice, or to decide, on 'important production issues'. Nevertheless, in acknowledging that the volume and range of ABC programs is far more than management could monitor, the document concludes that "actual production responsibility rests with the producer in the studio who is expected to work to a program brief and in accordance with established ABC practice and guidelines" (ABC 1981c:7). One manager, former Director of ABC Corporate Affairs John Muldoon, argues that these policies create an environment in which management censorship of programs becomes unnecessary: these policies mean "program makers know what they can and can't do" (1983).

Central to these guidelines is the notion of "objectivity, impartiality and balance" (ABC 1981c:10). Objectivity may be impossible to achieve in practice but is worth striving for: impartiality means more than not taking a
point of view. It involves the question of balance. That includes balance between popular and minority programs, between information and entertainment and, more specifically, between opinions and issues expressed on ABC programs: “People who appear on ABC public affairs programs need not be impartial. But the ABC itself must be impartial” (Madgwick September 1972:6). The 1981 guidelines assert that the ABC’s role is “not to propagandise. It is not to pursue a particular editorial policy. The ABC can have no opinion on current affairs, and must, over a reasonable period of time, maintain a political balance” (ABC 1981c:6).

Balance is difficult to define or achieve. Critics have argued that ABC management has seemed obsessed with obtaining quantitative evidence of neutrality. Former Deputy General Manager Semmler spoke of seeing a week’s news bulletins “dissected line by line and the results tendered like a football score to convince querulous politicians that a controversial subject was given due ‘balance’” (1981:95). Inglis relates how ABC management in 1952 searched for a fanfare for the news which would carry “no political implications” (Inglis 1983a:151). Robert Horno relates an incident which recalls many reports about the lengths to which ABC management will go to be seen to be balanced:

(My) favourite story...about politicians and the ABC...is one told of the late Johnny O’Keefe, when he was rousing the nation’s teenagers with his “Six O’Clock Rock” some twenty years ago. Amid the roistering at one recording session he heard that the Prime Minister was in the next studio making a political telecast. So the story goes that Johnny, ever alert with bright new ideas, called out, “Hey, Bob Menzies is in the building, let’s get him in the program”. Then, as Johnny told it, “Here was this ABC guy, waving me into a corner shouting, “No, no, no. Don’t you know that if you have Bob Menzies this week, you’ll have to get Dcc Evatt for the next program”. (1979:52)

ABC guidelines acknowledge that “a balancing of viewpoints cannot always be achieved within the one broadcast segment” but promise that if ABC staff are “consistently seen to be striving for objectivity and impartiality,
then the audience will be satisfied that a proper balance is achieved in the long term" (ABC 1981c: 10).

Nevertheless, bias is in the eye of the beholder and many of the complaints received from politicians allege a lack of balance in particular programs. When the Minister for Housing, Senator Sir William Spooner, demanded a right of reply to a *Four Corners* program in May 1963, he did so claiming that the government's policy had not been fairly represented - even though he had earlier declined an invitation to appear on the program (Inglis 1983a: 218). After being pressured by the Minister at a Canberra cocktail party, ABC Chairman Darling gave him airtime rather than risk government accusations of bias. Brian White notes that politicians attacked ABC programs for 'lack of balance' yet this ignores 'the contribution ministers...frequently made to 'imbalance' by refusing all invitations to appear on programs to discuss allegations against them" (White 1975: 21). When politicians complained that their refusal to appear was being reported, ABC management obliged at one stage by forbidding "current affairs programs from saying that someone had refused to comment" (ibid: 21).

It is very difficult for ABC managers to disprove accusations of lack of due objectivity, impartiality and balance. As Semmler observes, "pragmatic measurements of equal time, right of reply, balance and the rest of it, can, with some difficulty, be applied to 'hard' news bulletins. in probing and effective public affairs programs such methods are hopeless" (1981: 100).

Taibot Duckmant has argued that the constant letter and phone response to ABC programs suggests that "broadcasting has a tendency to confirm people in the views they already hold, and this is particularly true of current affairs programs on television" (1977: 9). This tendency to read programs according to pre-established values makes it difficult to produce
a program which some segment of the community will not find biased. The ABC's only defence can be a balance of different programs to give viewers a range of opinions. The Dix Committee endorsed the view that balance has to be achieved over a range of programs rather than attempting to provide balance within each program. Yet the Committee also said that it was "unimpressed by arguments that programs giving prominence to committed left-leaning views such as those Talks and Documentaries sometimes produce are balanced by others produced in other areas such as the Rural Department, which are sometimes alleged to have a bias the other way" (Vol. 2:191).

The question of party political bias in ABC programs was not a central concern of the Dix Committee. Nevertheless the Committee reported an ANOP survey finding that "by a factor of some three to one, the ABC is seen to be quite independent in its political comment" and that 61% of Australians are "convinced of the ABC's independence, with little apparent difference between L/NCP and Labor voters" (Vol. 3:92-93). The Dix Committee appears mischievous interpreting this result as a public perception of 'no bias'; the ANOP survey question was about the ABC's independence from government direction, not the absence in ABC programs of partisan reporting.

A better reflection of the electorate's evaluation of ABC party political bias is found in the survey conducted in 1979 for the second edition of Western and Hughes' The Mass Media in Australia. This poll found on average that only 9% of respondents considered ABC radio and television 'unfair' to either the L/NCP Coalition or the ALP, compared with 13% who detected bias in commercial radio and television and 52% who thought the press bias (1983:62). A widely publicised 1976 Age poll found that 66% of those interviewed thought the ABC was accurate in its reporting of news and current affairs. Overall only 17% of respondents thought the ABC was biased, compared with 58% who detected bias in the commercial press (Duckmanton 1977:13).
The ABC's policy guidelines, training and internal literature emphasize the need for 'objectivity, impartiality and balance'. These guidelines cut both ways. Production staff must work within the constraint of policy but they will also judge any Board or management directive according to these criteria. A management order on program content which apparently does not match the policies expected of staff is likely to be challenged—personally, by referral to the Board and by exposure in the commercial media. Those who work in production units are largely sheltered from direct contact with management and imbibe the production unit suspicion of any management attempt to extend an administrative/support function into an editorial role.

ABC new-comers quickly learn the importance of appealing to the wider responsibilities imposed by policy in this rule-governed institution. They learn to use memoranda, appeals to precedent and Corporation policy as ways of preserving their sphere of responsibility. They can be assisted by the lack of communication within the organisation. Many producers tell stories from the 1960s of management edicts deliberately left unread until programs had gone to air in case the memo contained instructions about content. The ABC has to rely on the professional judgement of its program-makers. As former General Manager Taibot Duckmanton noted:

...in an operation as diverse in its output as a national broadcasting service, the only sure way of exercising control is to proceed by persuasion and conviction: by encouraging the staff immediately responsible to apply their judgements to particular programs in a framework of general guidance—a framework which stems from the continuing discussion of program output by the production staff themselves, by their seniors and by the Commission itself. You must appreciate that in broadcasting, the matter of control is made difficult by the fact that you often don't even have a script; there are no galley proofs as you have with a newspaper for example. Much of the material has to go to air 'live'. Judgements are mainly made ex post facto, and in this situation one can work only by general guidance and by the creation of an atmosphere of 'house style' if I may put it that way. (1977:10-11)
Above all it is the commitment to the values and ideology of ‘professionalism’ which makes ABC producers, reporters and staff unlikely candidates for easily accepting censorship from above. It is sometimes implied that “self-censorship” occurs, that ABC program-makers avoid contentious issues or subdue reports likely to be controversial. No convincing motive for program-makers to exercise such restraint has ever been offered. Production staff are generally not intimidated by management or sensitive to management concerns about the image of the organisation. The work environment ethos of professional broadcasting, and the kudos which flows from producing provocative reports which initiate community discussion, militate against ‘self-censorship’. Keeping within the ABC policy guidelines imposes some restrictions, so production units have never had total freedom of action, but the professional broadcasting aims of objectivity, impartiality and balance produce an atmosphere in which outside or internal demands for partisan reporting will not be favourably received.

Program Production

In Semmler’s experience “most program proposals originate at the executive levels – controllers, directors of outpost departments, heads of production sections and so on” (1983: 43). This Day Tonight, for example, was largely sponsored by the ABC’s Federal Director of Television Programs, Ken Watts, based on the BBC’s popular current affairs program Tonight (Inglis 1983c: 266). Once an idea is floated it may be discussed at many levels within the organisation before producers and directors from the relevant departments prepare a detailed submission on the proposed program. A typical submission will map out the intended format, medium and purpose of the proposed program and address questions of resources, personnel and cost. Ideas for new programs are constantly being turned over within the ABC but few reach the submission stage.

Submissions are considered by senior management and, if they appear
promising, may be referred to the Board, though it is management's prerogative to decide which new program ideas should be presented to the Directors. For major new projects a pilot episode will be produced. Thus the Board was able to view in mid-1984 a pilot of The National, a one hour news and background current affairs program to begin on ABC television in March 1985. Board members showed their approval of the concept by giving the pilot episode a standing ovation (Boyer 1984). This selection process insures that ABC Directors and executives are aware of the subject area, the required commitment of resources and the possible returns in controversy a new program might bring. Assessing submissions gives the Board and management a chance to maintain or extend the existing boundaries of ABC activity. Thus Ken Watts had difficulty persuading his fellow managers to support his submission to begin the expensive and potentially controversial This Day Tonight. Some have speculated that ABC Chairman Sir James Darling was also a good deal less than enthusiastic about the proposal. Nevertheless Watt's forceful arguments and the support of key producers and managers finally prevailed in committing the ABC to a nightly current affairs program.

Once a program submission and pilot are approved, the managers with line responsibility for the new service draw up a 'program brief' in much the same form as the original submission. This program brief establishes the format, character, boundaries and budget for the new service. In the case of news and current affairs proposals, the brief may remind producers of the ABC's commitment to objectivity, impartiality and balance by drawing attention to the ABC's program policies and practices. The program brief is a document for reference in case of later dispute about the purpose, procedure or lines of authority about the program.

A brief, resources and timetable are then assigned to an ABC department which is given responsibility for producing the program. That department will appoint an executive producer to oversee the project.
There will inevitably be extensive consultation between the executive producer and line management during program preparation. The inflexibility of the ABC's central budgeting system ensures a long correspondence as the executive producer discovers that some of the resources required are not those specified in the program brief and has to negotiate for each variation. The divisional rivalry and the lack of effective communication between different departments may prevent the full use of all available ABC talent for the new program. The Dix Committee cited the historic lack of liaison between Public Affairs programmers and the News Division which "means that some well-acknowledged experts on particular subjects in either grouping are not consulted by the other in the preparation of programs." (Vol. 2:190).

Production time for ABC news and current affairs programs ranges from months of work and consultation for a *Four Corners* in-depth investigative television report to only a few hours of hasty compilation for ABC national radio news. The scope for consultation between staff, management and Board of Directors varies greatly according to the frequency of transmission. Most executive producers insist, however, that once a program is up and running there is little contact with management over program content. Line management monitors the progress of the program. Managers may argue about production details or apparent changes in emphasis but daily responsibility to conform with the program brief remains with the executive producer.

Only in extreme cases will management issue a directive instructing the executive producer or department head to change program practice. The staff rules laid out in the *Australian Broadcasting Corporation Act* (1983) state that an officer can be dismissed or transferred if she or he "wilfully disobeys, or wilfully disregards, a direction given by a person having authority to give the direction, being a directive with which it is his duty as an officer to comply" (s. 64.103). An officer could appeal against
any ruling of misconduct. Though charges of misconduct have been threatened at times (as in the 1976 dispute over the Boyer lectures), there is no evidence of a charge ever being brought against a producer over a disputed program judgement. The likely result of an attempted charge would be a national strike by ABC staff.

In fact the working relationship between managers and production units depends on mutual respect for spheres of responsibility. The relationship between ABC radio executive producer John Beeston and ABC radio management is an example. Beginning in the ABC delivering mail, Beeston taught himself radio production skills and while in his mid-20s became producer of the 3LO radio program *Melbourne This Morning*, hosted by Terry Lane. Before *Melbourne This Morning*, Lane had been involved in several controversial programs and had been removed from air in 1977 when he was highly critical of the Queensland government’s “rough handling of anti-uranium demonstrators in Brisbane” (Harding 1979: 106). In 1982 Lane was back on the ABC, with a program frequently dealing with state and federal politics. As producer Beeston received phone calls from politicians, usually asking for time to reply to a report or previous speaker. Even as a young and inexperienced producer Beeston was not required to refer these requests to management; he was encouraged to use his ‘program judgement’ by consulting with Lane and making his own decision on access. When interviewed Beeston talked of management as “distant people” most of whom he did not know and could ignore. He could not remember ever receiving a directive from management to change his style or program content (Beeston 1982). Within the ABC Beeston acquired a formidable reputation for his independent judgement and refusal to bow to unsubtle demands from aggrieved Victorian politicians; yet ABC management apparently had no hesitation in appointing Beeston Executive Producer of the national daily radio current affairs radio program *PM* during 1984.
When watching Beeston and the *PM* team at work, the difficulties of management involvement in program decisions become apparent. *AM* and *PM* are "distinguished by an advanced degree of professionalism, and exploiting particularly the ability of modern radio to inject on-the-spot interviews and commentaries from distant parts of the world directly into the program" (Semmler 1981:99). Preparation by the staff - an executive producer, announcer, technician and several reporters - begins a few hours before *PM* goes on air at 6:05 pm. While the general shape of the program has emerged before transmission, and some items have already been edited and transferred to tape, many of the stories, particularly those from the ABC's Parliament House bureau, go to air live. Once broadcasting begins the executive producer co-ordinates reports and prepares new items while the program's compere uses his or her judgement on the length of interviews, adding or deleting stories and changing the shape of the program as issues develop. The production of *PM* requires rapid decision-making with no time for consultation with line-managers outside the studio. Managers listen and comment after the program. They expect *PM* to remain within guidelines on interviewing techniques and general program policy and practices. They may issue advice on a persistent problem with the program. But given that so much of *PM* evolves while the program is on air, the sense of solidarity of the *PM* team and the way issues often emerge in the frantic minutes before and during transmission, it would be very difficult indeed for a manager to be alerted to an impending item or issue a directive in time to prevent its inclusion in the program.

A minor example of the speed at which decisions must be made for live-to-air radio current affairs programs was observed on 21 September 1982. On that day Prime Minister Malcolm Fraser refused to accept the resignation of Primary Industry Minister Peter Nixon following the tabling of a Royal Commission report critical of the Minister. *PM* is co-ordinated
and broadcast from Sydney but much of its political commentary comes live from the ABC studio in Parliament House, Canberra. As *PM* was preparing to go to air on this evening, ALP Opposition leader Bill Hayden and academic Patrick Weller were sitting in the Parliament House studio with ABC reporter Stephen Mills, waiting to comment on the political crisis.

At 6:02 pm one of the Prime Minister's press secretaries raced into the ABC studio to announce that the Prime Minister was prepared to go on air and defend Nixon. This news was relayed to How Evans, the *PM* compere in Sydney, who suggested that Mills interview Fraser. The press secretary replied that Fraser would only speak with Evans and left. *PM* began at 6:05 pm with excerpts from the Prime Minister's earlier press conference. While the tape was running the press officer returned to say that Fraser had agreed to speak with Mills. Evans was consulted in Sydney and this time he immediately declined altogether to have Fraser speak on the program. Instead he interviewed Hayden and Weller on the crisis, then moved to other issues (Weller 1983).

*PM* compere How Evans and his executive producer thus showed they could exercise their program judgement and refuse air time to the Prime Minister of Australia without having to consult senior management. The ABC had come a long way from the practice of the early 1960s when no producer could invite a politician to speak on the ABC without permission from the General Manager. While Fraser apparently accepted as legitimate the program decision made by *PM* compere and executive producer, and while that compere and producer felt they could make such a decision without repercussions from management, it is perhaps worth noting that much of the next day's edition of *PM* was devoted to a detailed interview with Fraser.

This *PM* incident indicates the close working relationship between
politicians and the media in Parliament House. ABC journalists working in the press gallery are in constant contact with politicians and their staff, many of whom are ex-journalists. The atmosphere is competitive but any news or rumour rapidly becomes common knowledge around the House. It is difficult for a politician to suppress a story once rumours begin, or for the management of a media organisation to ignore news being given prominent coverage by competitors. The ABC's Parliament House bureau is so well-integrated into the press gallery that "any direct interference by management or politicians would be likely to be covered by the rest of the gallery" (Creed 1982). The bureau has a reputation for being very 'bolty' and avoiding contact with management; the cramped conditions of the ABC's Parliament House offices and the tremendous work pressure enable staff to transcend the division between Public Affairs and News staff elsewhere in the organisation. ABC Parliament House journalists are proud of the autonomy of their bureau and point to the immediacy of their live-to-air reports, their identification with press gallery peers rather than other ABC staff and their remoteness from the rest of the organisation as factors which help them maintain this independence.

As well as instantaneous radio material, the Parliament House bureau services television news and current affairs. There is an ABC studio in the press offices and a mobile camera crew to cover events in and around the building. Though some television items will go to air live, most are pre-recorded and edited before transmission. For ABC-TV's popular current affairs program Nationwide considerably more planning, resources and personnel are required than for PM.

Nationwide replaced This Day Tonight in 1979 and appeared each weeknight until its demise at the end of 1984. Given its later time slot and program brief for fewer and more topical items, Nationwide, said one ABC manager, "would obviate the criticism that daily current affairs trivialises all that it touches" (Inglis 1983a:352). Nationwide was
co-ordinated from Sydney, with local comparers for the editions seen in NSW, Victoria, South Australia, Queensland, Tasmania and Western Australia. All used material from the Parliament House studio in Canberra. *Nationwide* could run as a single national program for important segments or be divided into states for more local issues. The decision was taken by the program's executive producer in Sydney, after consultation with state producers.

Because television is a time and labour intensive medium, there is less scope than in radio for sudden alterations to a program. For *Nationwide*, daily telephone conferences between state and executive producers at 9:30 am and 5:30 pm established program content and the mix between national and local stories. In case of a dispute or a new item suddenly becoming available, the executive producer in Sydney had a right to order that the item be included in a state edition. At times *Nationwide* was produced 'on site'. During the 1984 ALP National Conference, for example, the program went 'live' from Canberra's Lakeside Hotel. The scene was chaos. As politicians were moved in and out of the interviewing chair any managerial control was impossible as even the executive producers were not certain from minute to minute who would be available for interview. At less hectic times, however, the relatively long preparation period and the large number of personnel and resources involved in making *Nationwide*, gave some scope for management to become involved in decision-making about the program and to be aware of items before they went to air. If, for example, *Nationwide* filmed an interview but the interviewee withdrew permission for it to be shown (a common occurrence when people reflect on what they have said and decide they don't want to see it on national television), the ABC Program Policy and Practice *For ABC Radio and Television* document specifically required that the decision be referred directly to senior management (ABC 1981c:21).
Nevertheless, executive producers took their responsibilities very seriously and few were likely to accept with equanimity a management directive on program content.

_Nationwide_ mostly escaped the constant political controversy which surrounded _This Day Tonight_. This was partly due to the wider acceptance of current affairs reporting by politicians and public; it may also have reflected the fairly staid human interest/consumer affairs emphasis of _Nationwide_ over the more directly political subject matter of _This Day Tonight_. _Nationwide_ also had fewer opportunities to cause controversy because the aggressive interviewing style of long-time _Nationwide_ political correspondent Richard Carlton led some politicians to avoid appearing on the program. Media reports in July 1983 suggested that while there had "certainly not" been a policy decision by Prime Minister Hawke and his Cabinet to boycott _Nationwide_, government ministers had nevertheless declined "40 or 50" invitations to appear on _Nationwide_ since winning office three months previously (The Australian 30 July 1983: 5).

Talks and commentaries, the traditional controversial activity of ABC radio, also have a relatively long preparation period and so can be vetted by management. ABC policy requires that a script of any commentary be available for checking before transmission, because many of the academics and specialists invited to comment have neither the broadcasting expertise nor legal skills to understand Australia’s tortuous libel and defamation laws. Though the ABC has an understandable interest in avoiding legal actions, the monitoring function has nevertheless been used to censor material which an ABC manager feared might cause controversy. Inglis quotes Leicester Webb, Professor of Political Science at the ANU, writing to ABC Chairman Darling in 1982 to complain that three times he had refrained from discussing the government's communication policy during ABC programs "...in response to personal appeals from the top levels of the ABC." Webb told Darling he was unhappy about personal persuasion
being used to prevent a topic being discussed; this, noted Webb, could all too easily lead to preference for commentators who can be relied on to be 'reasonable' (Inglis 1983a:237).

In practice scripts are rarely requested or supplied for the News Commentary and Background Briefing talks recorded for ABC radio. Regular current affairs programs have taken over the need for 'objective, impartial and balanced' background discussions, so these talks can now be presented as the personal opinion of the specialist rather than as objective analysis.

Nevertheless attempts to assert management's right of veto over talks can still occur. Eminent Australian historian Professor Manning Clark was invited by the ABC to give its October 1976 Boyer Lectures. Clark was a prominent critic of the actions of the Governor-General, Sir John Kerr, in sacking the Whitlam government in November 1975: as the date for the first lecture approached several L/NCP backbenchers expressed doubts about whether Clark was a fit person to be given airtime on the ABC.

Alan Ashbolt was then Head of the Radio Special Projects Department, with responsibility for producing the Boyer Lectures. On 24 September he received from the ABC's Assistant General Manager for radio, Keith Mackriell, a letter requesting advance copies of Clark's lectures. Mackriell based his request on difficulties posed by the "criticism of Professor Manning Clark by Senator Carrick" (Inglis 1983a:306). Ashbolt interpreted this order as Mackriell claiming the right to edit the work of his former history professor. Ashbolt refused to comply, accusing Mackriell of wanting to exercise "blatant political censorship... plainly linked to governmental pressures". Ashbolt requested a Commission ruling on the legitimacy of Mackriell's instructions (Harding 1979:74). The correspondence was leaked to the commercial media and appeared verbatim in the Sydney Morning Herald of 6 October 1976.
Mackrell, now supported by ABC Chairman Sir Henry Bland, issued a further order to Ashbolt that his department supply advance notice of programs produced by the Special Projects Department in general and scripts of the Boyer Lectures in particular. Mackrell’s memo concluded that “a most serious view will be taken of any failure by you to comply with this direct order” (Inglis 1983a: 398).

A public controversy erupted. Academics wrote letters to newspapers protesting at what they perceived as censorship. ABC radio producers met to express no confidence in Mackrell. Elsewhere, the ABC Senior Officers’ Association endorsed Mackrell’s right to decide what went to air. An article in Quadrant argued:

Nothing should go to air on the ABC until an ABC officer has read it. nothing whatsoever. This is not censorship, just sense. It should be applicable to everyone whether the Governor-General or an eminent historian or an ordinary academic writing a news commentary. The ABC has an obligation not to allow treason, obscenity, or a call for bloody revolution to go through its channels. (Fraser 1976: 17)

When the Commission met on 12 October 1976, “opinion around the table was overwhelmingly for Ashbolt and against Mackrell” (Inglis 1983a: 399). Sir Henry Bland told the Commissioners that “the matter was essentially a management affair” but some Commissioners were not to be put off, arguing that the text of Mackrell’s memo “could only be read as giving rise to suspicions that political considerations had intruded in relation to the Manning Clark lectures” (Commission Minutes: 4). After a lengthy discussion, and disagreements over drafting, the Commission issued a statement to the waiting press:

The invitation to Professor Manning Clark to deliver the Boyer Lectures rested on his distinction as an historian. They will be broadcast as he has written and recorded them. They will not be subject to review.

It has been the proud record of the ABC that it has not permitted its programs to be subjected to any political influence.
This will continue to be the ABC's stance. There is thus no justification for anyone drawing from recent events any interference that there has been some deviation from the Commission's stand.

If any balance were needed to any Lectures or any other program, the ABC would attempt to achieve it in the course of its normal practice of programming to accommodate different attitudes, political or otherwise.

Senior responsible staff are clearly entitled, if they choose, to require from program makers details of proposed programs. For the most part, the standards and procedures laid down in the Program Standards guidelines adopted by the Commission in September 1975...whose implementation rests heavily on the close co-operation of program makers and senior ABC staff, meet the general run of situations. The fact that the guidelines provide a referral procedure - in the last resort to the Commission itself - enabling problems confronting program makers to be reviewed, does not derogate from the overall responsibilities of senior management staff to the Commission.

Mackriell offered his resignation but this was not accepted. In Canberra the Prime Minister's press secretary "expressed the government's embarrassment and annoyance at the whole incident: and Fraser himself, in conversation with other Commissioners, went out of his way to stress that Bland had not been acting on his instructions" (Harding 1979:75).

The Boyer Lecture incident indicates the dilemma facing ABC managers. They are sufficiently removed from the production process that they cannot know in advance all the activities of the various production units. It is difficult for managers to anticipate when and where programs are being made which might damage the organisation. Through they have line responsibility for such productions, managers cannot easily assert that authority; production units do not willingly surrender the right to make program judgements and the sheer volume of output means management can often do little more than monitor programs to check that Corporation guidelines on program policy and practice are being observed. Managers may not even be aware of program content until a political controversy erupts. In 1964 senior manager Clement Semmler banned an item on
capital punishment due to be broadcast by *Four Corners* on the eve of an execution in Western Australia. Semmler claimed to have acted from professional judgement, not from political pressure, but as Inglis notes "it is unlikely that he would have had the chance to make that judgement if the politicians in Perth had not spoken up, for until they did so he had not known that the item was being made" (1983a:223).

In the later 1970s suspicion arose within the organisation that ABC management was trying to tone down the content and scope of ABC programs to avoid further antagonising the government. ABC management, it was claimed, used the excuse of budget cuts to run down the resources available for news and current affairs programs. Management refused to endorse new programs which might prove controversial. Alan Ashbolt speculated that programs with a radical tinge would be allocated to late-night or low audience spots, that a higher percentage of conservative than radical analysis would be used in news commentaries and that budget money would be "held back from production schemes likely to offend consensual views" (1975:192). The view that a timid management was inadvertently serving the interests of a hostile government was believed from production units to the top of the ABC: Commissioner Richard Harding wrote that the Fraser government had "recognised that, if there was still a need to control the ABC, it could be best done by let ting management run it. The natural conservatism of a Public Service orientated organisation would tend to hold radicalism and dissent in check" (Harding 1979:97).

Certainly the evidence suggests that management was deeply concerned about causing controversy. Former Deputy General Manager Clement Semmler's memoirs of his time in the ABC reveal his acute sensitivity to the risks of offending politicians. He remembers watching a satire on a politician's speech and "waiting for the trumpet to sound from Canberra and the walls of the ABC to crumble" (1981:102). Semmler asserts
the frequent expeditious of censorship in anticipation of a hostile government reaction, but later apparently contradicts himself when he notes from experience the difficulty of a manager wanting to intervene in the content of a current affairs program:

If an item is queried, or an attempt is made to forbid it, there are loud cries of censorship and even threats of industrial action with the possibility of the ABC going off air. Compromise is too often the result, with the broadcasters winning hands down. (1981:110)

The hostility of staff toward any management intervention in program matters is evident in submissions to the Dix Committee. The NSW branch of the ABC Staff Association, for example, "took the view that the very existence of a management hierarchy possessing an editorial role (as distinct from 'management' in terms of resource allocation) comprised a form of interference" (Vol. 2:192).

It may be true that management in the later 1970s showed less enthusiasm than previous executives for new program proposals, but there is little evidence of significant censorship. Beyond the externally imposed squeeze on resources and personnel, two factors argue against the thesis that a decline in the analytical capacity of the ABC was deliberate management policy to appease politicians.

In the first place there was no significant change in the resources allocated by management to news and current affairs programs in the period between 1975 and 1980. Figures presented to the Dix Committee show that direct ABC expenditure on public affairs and news programs rose by an average of 11% pa between 1976/77 and 1979/80 (Vol. 2:200). While double digit inflation made this a budget cut in real terms, the news and public affairs figures are still better than the average annual rate of increase for the overall organisation over the same period, which was 9.19% (ABC Annual Report 1981/82:12-13).
Even with reduced resources, the range of news and current affairs programs remained constant on ABC radio and declined only slightly on ABC television. While there were significant changes in programs - Doubletake replaced Broadband and Lateline on ABC radio and Nationwide supplanted This Day Tonight on ABC television - the overall airtime devoted to news and current affairs on the ABC did not significantly change during the difficult years between 1976 and the abolition of the Commission in 1983. In 1976 ABC radio devoted 11.63% of total airtime to spoken word features, including talks, documentaries and news commentaries. A further 9.76% of total ABC radio airtime was devoted to news broadcasts. ABC television devoted 15.93% of total transmission time to "public interest" material and a further 6.68% to news broadcasts (Annual Report 1976/77: 52-53). In 1981/82, the seventh consecutive year of budget cuts and staff ceilings, ABC radio had increased its average to 13% of total airtime to spoken word features and 9.7% to news broadcasts. ABC television airtime devoted to 'public interest' programs had declined slightly to 11.55% with news broadcasts remaining constant at 6.72% (Annual Report 1981/82: 74-75).

Figures do not measure quality; standards may have declined with the reduction in resources and the exodus of talent from the ABC to the commercial media. The quantitative evidence, however, both financial and in transmission hours, suggests no lessening of ABC commitment to provide a comprehensive news and current affairs services.

The second important point about alleged management censorship to avoid antagonising the paymaster is that any such strategy - if it existed - failed. The ABC's budget steadily declined in real terms from 1976 to 1982 - a decline that seems unrelated to specific ABC programs.

Harding suggests that Prime Minister Fraser personally designed a long-term strategy to "tame the ABC", a process completed with the
chairmanship of John Norgard from 1977 (Harding 1979:119). The accusation that management behaved on cue, that it helped Fraser 'tame' the ABC is too simplistic to be acceptable. The decline of the ABC from 1976 as an innovative force in Australian news and current affairs broadcasting has more complex causes than occasional (and often unsuccessful) attempts at censorship from a timid management performing the difficult and unpopular task of presiding over a shrinking budget and serious impositions on the ABC's administrative independence. ABC news and current affairs programs declined in quality (though not in quantity) because of the overall squeeze on resources, the shortage of talented trained staff and the cumbersome structure of the organisation which inhibited initiative and tied up production staff in administrative tasks. Demarcation disputes over new technology denied ABC production units the advantages of electronic news gathering cameras. disputes between ABC departments resulted in duplicated services and there was a lack of leadership caused by the rapid turnover of Commissioners. The commitment to a professionalism did not waver; but the ability to be professional - through training and adequate support - diminished.

**Decision-Making About Political Broadcasts**

There are some politically sensitive areas in which management and the Board, rather than production units, are required to make judgements. These include elections, addresses to the nation by the Prime Minister and the Opposition's right to reply on ABC airtime.

When a state or federal election is announced, time is set aside in the ABC schedules for party political broadcasts. Available airtime is divided into five minute blocks then distributed to the political parties according to their "measure of significant public support" (ABC 1981c:28). This figure is determined by a formula of aggregate votes at the previous election. A report on the distribution of airtime is prepared by management and approved or altered by the Board.
Complaints from political parties about this arrangement have usually been arguments about the formula for distribution of air time rather than accusations that the ABC is exhibiting favouritism or bias. The difficulties of distributing airtime were most acute during the election of 1949. In that year the Commission decided that political parties which contested 15% of seats and nominated candidates in at least three states would be eligible for airtime. Labor and Liberal politicians complained when they realised this formula would give airtime to the Communist Party of Australia. The Commission held a special meeting after complaints from the Chifley government and decided to add a new criterion: to be given airtime political parties must be able to demonstrate "sufficient significant public support" at the previous election, which was defined as either having a member elected or winning 5% of the vote (Ingiss 1983a:171-172). To appease the consensus within Parliament, the Communists were excluded from ABC airtime.

The only recent accusations of political interference in the distribution of election broadcasts came in October 1983, when the Queensland National Party state government accused the Minister for Communications of leaning on the ABC to give more party political broadcast time to the ALP during a state election campaign. The Minister, Michael Duffy, rejected any suggestion of interference in the independence of the ABC, calling the allegation a "baseless and disgraceful lie" (CPP Vol. 132 18 October 1983:1815). Duffy passed on information, supplied by the ABC, of a Board decision to grant the Labor, National and Liberal parties 60, 40 and 40 minutes respectively each of free time for election announcements. ABC policy, reported Duffy, is that the ABC news coverage would reflect the Board's allocation of free time: "that is, that the duration of news coverage be, as close as is practicable, in a ratio of 3:2:2 for the respective parties" (ibid:1815). Duffy concluded by noting that he had instructed his solicitors to sue for libel those in the Queensland National
Party who had made allegations of improper interference in ABC decision-making.

The Dix Committee noted a submission from the Australian Journalists Association expressing concern about some management decisions in allocating time for party political broadcasts and maintaining balance in election reporting. Complaints about news reports are inevitable, and underline the "need for unequivocal rules and also the time-consuming and difficult process of making detailed records" noted the Committee report (Vol. 2:193).

Because Australian election campaigning is conducted through expensive advertising campaigns in the commercial media, political parties attach relatively little importance on access to the small audiences of late-night ABC party political broadcasts. Politicians, however, frequently express concern about perceived bias in ABC news and current affairs coverage during elections. The ABC has prepared detailed guides for news and current affairs staff on how to handle election issues: program decisions should be based on the assumptions of "free speech, balanced reporting and impartiality" (ABC 1981c:29). An Election Co-ordinating Officer is appointed during campaigns to oversee the program of party political broadcasts and election coverage and to field the inevitable complaints from politicians. For the 1984 federal election, ABC Managing Director Geoffrey Whitehead appointed a "watch dog committee" chaired by former Age Managing Editor Ranald MacDonald. Answering criticism that the establishment of such a committee showed a lack of faith in the ABC's executive producers and reporters, Whitehead replied: "Not at all. It's a political ~ conductor so they can go about their job of reporting and analysing the campaign without feeling somebody will phone with complaints that might distract from their job" (National Times 19 October 1984:6).
The right of Prime Ministers to address the nation through the ABC has been another cause of dispute. ABC policy requires that in the absence of a formal ministerial directive ordering the ABC to supply airtime to the Prime Minister, any request for airtime must be forwarded to the ABC Chairman or Managing Director through the office of the Minister for Communications. The request is considered by the Board and a decision made; no request has ever been denied. Once airtime is granted, the ABC "reserves the right to offer the Leader of the Opposition time for reply under comparable circumstances. The Prime Minister's office should be made aware of this principle at the time of the request". The Opposition Leader has three days from the Prime Minister's broadcast to request time to reply and the reply must be broadcast within a week of the Prime Minister's address. However, no right of reply will be given if the Prime Minister's broadcast was "not of a party political nature" (ABC 1981c:30).

A judgement about what is and what is not "party political" must be made by management and the Board of Directors, and can be highly contentious. As Opposition spokesman on Communications, Senator John Button claimed:

The present Commission has seen fit to deny the Leader of the Opposition equal time to answer blatant political broadcasts by the incumbent Prime Minister. The Commission's explanations have been flimsy and quite unsatisfactory.

The question of a right of reply, however, is only part of a much larger problem of access for political parties. It would be incumbent upon a new Commission to work out rules for this, taking into account not only the two major political groupings, but also smaller parties such as the Australian Democrats. (1982:33)

The Dix Committee recommended that an automatic right of reply be available to the Leader of the Opposition (Vol. 2:194). No such requirement, however, was written into the Australian Broadcasting Corporation Act (1983) and so the right of access and reply remains a
decision of the ABC Board, with each request considered on its merits.

The potential for accusations of partisan decisions remains.

The May 1984 Four Corners Controversy

In April and May 1984 an ABC reporter and his film crew spent three
weeks in Papua New Guinea (PNG) making a program for the ABC’s
television current affairs series *Four Corners*. Journalist Allan Hogan
wanted to investigate tension between PNG and Indonesia over their mutual
border.

On 15 May the Australian media carried reports that the PNG Foreign
Ministry had expressed concern to Australia’s High Commissioner in Port
Moresby, Robert Birch, about the *Four Corners* team. The PNG
government claimed that the ABC reporter had enticed a rebel leader
across the border onto PNG soil for an interview. The rebel in question
was James Nyaro, the self-proclaimed leader of the ‘Free Papua Group’
(‘OPM’), a motley collection of largely unarmed Papuans seeking to drive
the Indonesians from West Irian.

The subsequent controversy within Australia is an interesting example of
the complex influences on ABC functional independence. As a case
study, it highlights the limited role of management in imposing program
judgements and the ability of the staff to challenge those decisions as
incompatible with program policy and practice guidelines. The controversy
promoted the reluctant intervention of the Board in a program matter,
following the role of the commercial media in focusing public attention on
the ABC and forcing it to live up to its commitment to independence. The
Australian government expressed concern about the diplomatic implications
of the program, but there is no evidence of direct political intervention.
Rather it appears that a senior ABC manager performed a pre-emptive
buckle in the expectation of government displeasure.
In protesting about the program, the PNG government stressed the
sensitivity of the border region and claimed that Hogan had broken an
undertaking with the PNG Police Commissioner not to cross the border or
encourage OPM members to cross into PNG. High Commissioner Birch
passed the PNG government's message on to the Department of Foreign
Affairs in Canberra. The Department released a statement saying that the
Australian government viewed the incident as "a matter purely between the
PNG government and the ABC" (Canberra Times 15 May 1984).

Further inquiries by reporters revealed that Australia's Department of
Foreign Affairs had been in touch with senior ABC managers to point out
that "some allegations concerning a Four Corners interview with Irian Jaya
independence leader James Nyaro would be cause for concern if they were
correct" (Canberra Times 17 May 1984). The Federal Secretary of the
ABC Staff Association noted "this does not mean that the Australian
government was "leaning" on the ABC. In fact all that was being put to
the ABC was a diplomatic request, a fact which we can only assume
management failed to perceive" (Collis George 1984:1). The ABC radio
current affairs program PM alleged that the PNG government had sent a
telex which also put pressure on ABC management to stop the interview
going to air, as scheduled, on Saturday, May 26.

Media reports over the next few days confirmed that Australian Foreign
Minister Bill Hayden had received a formal written complaint from PNG
about the alleged activities of the television team near the PNG-Indonesian
border. Speaking from Paris during an tour of Europe, Hayden replied
that he understood the PNG's sensitivity about the border region but that
"the matter should be sorted out between the PNG government and the
ABC" (Daily Telegraph 19 May 1984).

PNG Foreign Minister Rabbie Namafia responded with threats of retaliation
against the ABC if the interview with Nyaro went to air; there were hints
that reporters from *Four Corners* and perhaps even permanent ABC correspondent Sean Dorney would be banned from working in PNG. As a temporary measure, ABC correspondents stationed in Port Moresby were now required to apply for a permit from the PNG foreign ministry before they could leave the capital. In an interview with the *Sydney Morning Herald* Foreign Minister Namalo said:

The threat was made quite clear in my letter to the Australian government.

In it I said that, unless I received satisfactory assurances that the interview was cut, the Government will have no choice but to review the continued presence of the ABC representative in PNG.

*Asked what he meant by 'review' Namalo said*

I mean the end of the ABC’s operations in PNG. If the Nyaro interview is restored, after we have been assured it will be cut, there is nothing else we can do.

I want to make several things clear in Australia. At no time did we object to the ABC interviewing James Nyaro. That is the ABC’s business. But at a time of great sensitivity in our border relations with Indonesia we would not tolerate, and made made quite clear to Mr. Hogan at the time, his *Four Corners* team interviewing Nyaro, an Indonesian citizen, a rebel leader and illegal immigrant, on PNG soil.

Mr. Hogan obviously enticed Mr. Nyaro across the border, which is an indictable crime. (24 May 1984)

Hogan would later tell his national television audience that he had no way of knowing which side of the border he was on when the interview was conducted. The border is not distinct, but twists through valleys and over mountain ranges. In most places it is not marked and there are no border guards or posts. Hogan could not be sure which country he was in. He also denied having given the PNG Police Commissioner assurances he would not cross the border or entice Nyaro to cross. This ‘assurance’, said Hogan, amounted to the Police Commissioner saying during an informal conversation in a hotel at 11 o’clock at night ‘that it
would be embarrassing if the interview was held on PNG soil" (Canberra Times 25 May 1984).

Nevertheless, PNG Foreign Minister Namal had been promised by ABC management that the interview would be cut out of the final program before it went to air. The Melbourne Age reported that "ABC management is believed to have sent a written instruction yesterday to the Executive Producer of Four Corners, Jonathon Holmes, advising him not to broadcast the interview with the rebel leader James Nyaro" (19 May 1984). The management instruction was issued by Deputy Managing Director Stuart Revill, whose action was said to have followed "representations from the PNG government and the Department of Foreign Affairs" (Brisbane Telegraph 17 May 1984). Former ABC journalist Michael Carlton noted:

The astonishing thing...about the ban on the Four Corners PNG interview is that the ABC censors didn't even see it before they fumished the axe.

You might have thought that the new guard had changed all this but, no, not a frame of film nor a word of dialogue passed between them. In the grand old tradition of ABC management, it was sufficient to know that the Department of Foreign Affairs was displeased.

...in short order a departmental message of almost oriental politeness had found its way to the desk of an ABC Assistant General Manager, Mr. Stuart Revill.

He in turn consulted the immaculately tailored Controller of Television Programs, Mr. James Fitzmaurice...and - before you could say 'political interference' - the interview was banned.

My sources say there was absolutely no prior consultation with Allan Hogan and only brief discussions with the Executive Producer of Four Corners, Mr. Jonathon Holmes: the edict was simply handed down through the Acting Head of Current Affairs, Mr. Ken Chown. (Sydney Morning Herald 23 May 1984:10)

On 23 May ABC Chairman Ken Myer entered the controversy with comments that Australian correspondents abroad had to play the game according to the rules of their host country. Speaking on the ABC
program PM. Myer explained that when three weeks earlier he had said that "the ABC will not be stood over by anyone while I'm Chairman" he was referring to domestic, not international affairs. The ABC's job abroad was to cover international news as effectively as it could and this would not be possible if its reporters were excluded from foreign nations. Hence ABC correspondents working abroad had to see their role "in the light of Australian foreign policy", and not produce reports which prejudiced access for ABC journalists.

Myer's views caused consternation within and outside the ABC. 28 senior ABC journalists sent a telex to the ABC Managing Director, Geoffrey Whitehead, urging that the ban on the interview be lifted. The staff message read:

"Independence of the ABC's news and public affairs programs is the most vital principle we stand for.

We are therefore deeply shocked that Stuart Revill appears so easily in this case to have compromised this principle and to have abandoned years of hard-won independence.

A precedent seems about to be created by which foreign governments can negotiate with senior management about what is included in our news and public affairs programs.

There is still time to avoid the disaster of compromising our independence. We cannot afford a loss of public credibility nor of internal morale.

We ask that you reverse the decision to delete the interview and allow normal journalistic and production judgements to proceed."

The telex was signed by many of the ABC's most respected journalists and producers, including Geraldine Dogue, Mary Delahunty, Peter Couchman and eight members of the Nationwide staff. Jane Singleton (City Extra), Jim Downes (Countrywide), Paul Murphy (PM), Mark Colvin (The World Today) Jennie Brockie, Chris Masters, Peter Manning, Allan Hogan...
and David de Voss (Four Corners) and Geoff Hughes and Prakash Merchandani (News) (Sydney Morning Herald 23 May 1984:1). In Adelaide ABC journalists met to call for the resignation of Myer and express 'no confidence' in the ability of management to withstand political pressure. Nick Collis-George, Federal Secretary of the ABC Staff Association, said staff were "appalled" by Myer's apparent support for the ban: "We think it poses great danger to the ABC in that the organisation can be seen as able to be pushed around and sent scurrying away just by a note from an overseas government" (The Australian 25 May 1984). Four Corners Executive Producer Jonathon Holmes revealed in an interview with PM that he had informed ABC management four times in the last fortnight that he considered it "wrong and scandalous" that the Corporation had taken no action to support journalist Allan Hogan since the affair began.

The Sydney Morning Herald reported a major split in management ranks over the issue and news that Stuart Revill had discounted advice from the ABC's Port Moresby representative, Sean Dorney, that the PNG government would not carry out its threat (23 May 1984:1).

On the morning of Friday 25 May, as the Board prepared to meet in Melbourne, the Sydney Morning Herald published in full a transcript of the two minute interview by Allan Hogan of James Nyaro, under the headline "The Interview The ABC Doesn't Want To Show". Wendy McCarthy describes how the crisis forced ABC Directors to arbitrate between deeply held principles - "the responsibility of boards to support management and the responsibility of the ABC Board in particular to maintain and assert the independence of the ABC" (1984:9). The Board overwhelmingly decided to reverse management's decision. Journalist Peter Smark described the scene: "Ken Myer was comprehensively humiliated. The Board ignored his support for the management's ban... Whitehead, arriving back from holidays, found a decision taken by his deputy, Stuart Revill. Whitehead and Myer supported Revill, with former Liberal Senator and ABC Board
member Neville Bonner the only other ally" ("Good Weekend" Sydney Morning Herald 24 November 1984:10). In a press statement released after the meeting, the Board announced

The independence of the ABC would be compromised if it yielded or was seen to yield to pressure on the content of its programs.

The Board recognises and supports the right of its senior executives to exercise editorial responsibility in the light of the information available to them, particularly advice received from program makers.

The Board accepts that the decision taken by management in the first instance was in the best long-term interests of the Corporation.

However, the statement on May 24 by Prime Minister Mr. Michael Somare has elevated the original issue into a matter of principle which, in the Board's view, concerns the independence of the ABC.

While the Board sympathises with the PNG government's sensitivity over its relations with Indonesia, it defends the legitimate right of its staff to report events of significance to Australia.

Meetings of ABC journalists in Sydney and Melbourne congratulated the Board on its decision but again called on Myer to resign if he did not retract his statements about the role of the Australian correspondents in overseas postings: "unless he does so we could not regard him as a suitable person to defend the integrity and independence of the ABC" (Canberra Times 26 May 1984). As he left the Board meeting Myer was greeted by journalists anxious to know whether he would resign given his defeat. "I have not resigned as Chairman" said Myer. "Get out of my way and don't be so bloody rude. I am not making any statement at all". Asked if there had been a vote Myer replied "The Board had made a statement. You can use your own judgement" (The West Australian 26 May 1984). Myer refused to appear on the ABC program Nationwide that evening. He apparently was angry that other Directors had spoken before
the meeting to journalists about their opposition to the ban. He shouted as he was leaving "You only have to ask Graham Williams (a Herald journalist) about the ABC's confidential decisions. He knows them all in advance. Don't come to me any more" (Sydney Morning Herald 26 May 1984). ABC Managing Director Whitehead evaded reporters by leaving through a back entrance to the building.

Myer later released a media statement claiming that some of his comments during the affair had been "misinterpreted or misunderstood": "the central issue is not whether events should be reported or analysed - that is taken for granted - but how they should be handled" (Canberra Times 28 May 1984).

The program, complete with the Nyaro interview, went to air on Saturday 26 May 1984 as scheduled. Four Corners Executive Producer Holmes had been accurate in describing the interview "as a great television anti-climax because it contained nothing of real interest" (Daily News 25 May 1984). Nyaro's English was very bad, though the ABC solved the problem of his idiosyncratic pronunciation with subtitles. As the transcript published in most newspapers made clear, Nyaro had nothing surprising or informative to say.

Following the program, PNG Foreign Minister Namaliu announced that Cabinet would now consider the fate of ABC correspondent Sean Dorney:

They (the ABC) gave us an undertaking in the week that they would take it off and now they have put it back on.

I think the damage had been done when the interview actually took place. That's what mattered. It took place on our soil. (Canberra Times 26 May 1984)

The following week the PNG government announced that ABC journalists would no longer be welcome in PNG and that ABC correspondent Sean Dorney would have his work permit revoked as from September 21 1984.
Almost immediately the Australian Deputy Prime Minister, Lionel Bowen, announced that the Australian government was anxious to see the decision reversed. Though Dorney ceased work on 21 September, negotiations between the ABC and the PNG government continued. Prime Minister Somare issued a personal invitation to ABC Chairman Ken Myer to attend the official opening of the new PNG Parliament House on 7 August 1984, saying he was "keen to see the dispute with the ABC resolved" (Scan 9 July 1984:14).

Speaking several months after the incident, Managing Director Geoffrey Whitehead said:

I regret the way it was perceived and portrayed to the public because the question never was whether we should cover that issue, but how it should be covered.

I'm interested to note that Mr. Hogan has since privately made his own apology to some of the politicians in PNG which he did, so far as I know, without consulting senior executives...

It was an important issue, in that it was an early warning both to program producers and myself that we had to re-define and re-state for ourselves the whole reference-up process. (National Time: 19 October 1984:6-7)

Functional independence

Many critics confidently assert the occurrence of regular attempts at outside interference in ABC program decisions (e.g. Semmler 1981:23, McQueen 1977:120-122). This largely unsubstantiated opinion has become conventional wisdom, fuelled by regular public controversy about particular ABC programs. The assertion that politicians can influence the content of Corporation programs is not, however, convincing in light of the actual operation of program decision-making. The problem for a politician keen to prevent a story going to air would be finding a point where pressure would be translated into action rather than public exposure. As the PNG case study suggests, the Board is reluctant to become involved in program
decisions. Covert pressure on Directors may work - as it did in 1963 when Sir William Spooner squeezed a commitment from the ABC Chairman over cocktails - but it is more likely that the Board would only be prepared to intervene on an issue referred to it by management or staff. By that stage the program in question has usually become a public sensation and the options of the Board are somewhat limited.

A politician who instead tried to pressure ABC management would discover that though management have a right of veto over program content, managers must conform to the same policies and practices, to the same expectations of objectivity, impartiality and balance which constrain program-makers and set the decision-making environment within the ABC. Management's power is expressed not through program content judgements, but in their prerogative to set the boundaries of programs by writing program briefs, by beginning and terminating programs and by issuing directives to executive producers and department heads.

The highly bureaucratic character of the ABC, the importance placed on observation of written rules and guides and the threat of media exposure of unreasonable or unjustified intervention all work against arbitrary management interference in ABC programs. Management directives have to be obeyed but they can be contested and publicised by a staff suspicious of any management move which might constitute interference in the responsibilities of program-makers. Ken Inglis, in an interview on ABC radio, noted the restrictions on outside interference and on arbitrary management action in program matters:

I have the impression from within the ABC that since the mid-60s not much in the way of political interference has happened without being leaked to newspapers...since the mid-60s there have been two things present which weren't present before: one is a different attitude to institutional ethics on the part of people within the organisation. People...no longer felt that their first loyalty was to the ABC and confidentiality...people felt morally permitted - and even obliged - to break confidence and report what seemed to them bad things...
The second thing is the photocopier which made it easier than it had been before to reveal anything on paper... to journalists... so much so that I remember one old ABC hand saying he would never put anything on paper unless he wanted to read it in the *Sydney Morning Herald* tomorrow. (*Doubletake* 23 June 1983)

The device of a statutory corporation and the public expectation of programs made without political interference protect the short-term functional independence of the ABC. Politicians can change the shape and goals of the ABC through legislation, budgets, bureaucratic requirements and inquiries. They can set the boundaries for ABC activity. But they cannot easily impose their will on particular ABC programs. Politicians are restrained by the legislative protection given to ABC employees, by the public acceptance of a legitimate ABC role in providing news and commentary and by the political costs of being seen to interfere with the ABC's independence. Some politicians will nevertheless try to interfere for political advantage; the public record suggests that few will succeed.
3.2 THE POLITICAL CONTROL OF ABC RESOURCES

Politicians, it has been argued, create and maintain the ABC - but they cannot easily influence the content of specific programs. The ABC continues to enjoy considerable functional independence. Yet, perhaps far more serious for the ABC than the occasional inept attempt by a politician to suppress a story, is the way governments use their control over resources to set the shape and boundaries of the organisation. In the long term, restrictions on a statutory corporation's administrative independence are certain to narrow the scope for functional independence.

The ABC has no control over its own level of resources. The government of the day, rather than the Corporation or marketplace, decides what resources will be available in any given year. Though the ABC's budget allocation is normally incremental and so predictable, there is no guarantee this will be so at any particular time.

Governments do not make resource decisions in a vacuum. ABC funding is a political decision, taken after consultation with the Corporation and in the wider context of government budget planning. Earlier sections on finance described the regular process of ABC bidding for funds, while the section on planning noted an established procedure for presenting, through the National Broadcasting Service Planning Committee, proposals for new services to the government. Through formal and informal channels, the Corporation and government constantly communicate, negotiating priorities, floating proposals and establishing precedents. There are risks - the danger the ABC will flatter a government to secure approval for a favoured project, the possibility that a government will use its statutory control over resources to take the ABC out of a particular field. Governments can use the estimates process to control, at least in outline, the ABC's internal
allocation of resources. These impositions on the ABC’s administrative independence set the boundaries of ABC functional activity.

A case in point of a government re-defining the scope of the ABC was the establishment of an independent ABC news service. Until 1946, ABC radio news was taken from newspapers under an agreement negotiated between the ABC and newspaper proprietors, approved by the Minister and supported by then ABC Chairman Boyer and General Manager Moses. In mid-1946, however, Prime Minister Chifley proposed an amendment to the Broadcasting Act obliging the ABC to use "no other source than its own staff for Australian news" (Inglis 1983a:129). Inglis argues that an independent news service was "forced on a reluctant Commission and management by a Labor government which was determined to have a source of news utterly untainted by the capitalist press, and which got its way by having the Minister refuse, as the Act empowered him to do because it involved more than 500 000 pounds, to authorise the renewal of an agreement between the ABC and Australian Associated Press for the supply of local and overseas news" (1980a:25). In this important precedent, the government used the budget process to alter the role of the ABC. It is perhaps ironic that an organisation subsequently famous for its independent news was forced by political intervention to institute that service.

The ABC’s 1979 "Ain’t We Got Fun" campaign was an attempt to attract government interest. After three years of funding reductions and murmurs from conservative politicians that the ABC was increasingly irrelevant and should "get into the marketplace", the Commission authorised a television campaign promoting entertainment as a primary ABC goal. "Ain’t We Got Fun" was the awkward slogan of rather half-hearted ABC advertisements. In order to demonstrate its continuing relevance as an argument for funding increases, the ABC tried to attract a larger audience with "more popular programming which was acceptable to the government" (Chown
The campaign failed - ratings did not improve and funding continued to fall.

A good example of the ABC's fluctuations in fortune resulting from the control by Parliament of resources arose during the Commission meeting of 10-11 November 1975. On November 10 the Labor Government's Minister for the Media, Dr. Moss Cass, visited the Commission and during an "hour's cosy chat" told of Labor's plans for the Commission for the next six years. "He painted a very rosy picture" (Hackett 1982). The day after promising the ABC massive expansion, the government fell and those who had been attacking the ABC as biased and inefficient were placed in power. Instead of expansion, the ABC faced years of sharp contraction (Hackett 1982).

The two case studies in this chapter explore in detail the power of governments to set boundaries for the ABC through control over resources. As dramatic examples of government intervention, these cases highlight issues in which politicians decide ABC priorities. Though both examples are drawn from Commission days (for reasons of access to evidence), none of the assumptions, legislative roles or statutory powers of the participants have changed in a way which could make similar events less likely under the reformed Corporation.

In the case of 2JJ, a Labor government wanted the ABC to become involved in broadcasting rock music. The resource offered was an experimental radio licence in Sydney. The ABC accepted, sensing an opportunity to demonstrate its ability to fit in with the government's ambitious long-term plans for expanding the broadcasting system. The record suggests extensive informal negotiation between the ABC and the government, with the ABC implicitly agreeing to the government's terms before the licence was issued.
The second study focuses on the closure of ABC Melbourne radio station 3ZZ in 1977. In this instance a Liberal/NCP government used the statutory requirement for ministerial approval of budget estimates to close an ABC service of which it did not approve.

The 2JJ Case

The 1969 conference of the ALP committed a future Labor government to introduce FM radio as soon as possible. Australia at that time had only mono AM radio, broadcast by a limited number of ABC and commercial stations. Party delegates used the platform to express their dissatisfaction with Australia's dual broadcasting system and offer the hope of reform.

When the ALP was elected to government in 1972 the new Minister for the Media, Senator Douglas McClelland, sought to introduce stereo FM radio. He encountered numerous obstructions. Experts could not agree on technical specifications for the new medium, an issue which eventually had to be settled by an independent inquiry. After a delay of 18 months while technical issues were resolved, McClelland's department developed a long-term plan for the future of FM radio in Australia, only to have it rejected by Cabinet because of the anticipated high cost.

By mid-1974 McClelland was in political difficulty over the issue of broadcasting. He had committed the Labor government to introduce FM radio, only to suffer the embarrassment of seemingly endless technical and bureaucratic delays. To McClelland's critics he appeared to be doing nothing; even his supporters noted disquiet within the government about the apparent lack of progress. As a McClelland advisor put it: "It was still somewhat the heady days of the Whitlam government - it was a case of when you've got the opportunity to go, go. And they wanted to allocate some licences very quickly and say that they were the people who started FM in Australia" (Martin 1981).
To reduce ALP faction fighting over media policy, Prime Minister Whitlam informally spoke to government advisors about possible short-term broadcasting initiatives. The economic downturn had made Cabinet wary of committing funds to McClelland’s extensive plan for a national network of FM stations (McClelland 1981). Whitlam was looking for some ‘low cost’ options to satisfy pressure groups lobbying for media reform. Following this discussion, Whitlam reputedly said to Doug McClelland: ‘Never mind this grandiose thing, come up with plans of what we can start tomorrow. Let’s get some stations going’. People within the ALP had stepped up their criticism of the Minister’s supposed inactivity; now Whitlam wanted to get moving, but needed something ‘cheap and quick’ (Martin 1981).

Government advisors told Whitlam of their idea for temporary AM stations as stopgaps until full FM services were available. A loose network in and around the government had been throwing around suggestions for new radio stations for some months. Discussants included Jim Spigelman, Peter Wilenski and David White from Whitlam’s staff, Max Bourke and John Woodward from the Mosman branch of the ALP, government staffers such as Peter Martin, Richard Hall, politicians such as James McClelland, Mick Young and Moss Cass and interested outsiders such as Alan Ashbolt, Sydney ABC radio producers, Craig McGregor, Tom Zelinka and ethnic community groups in Melbourne.

From somewhere within this group came the idea for a government-funded AM rock music station in Sydney and an access/ethnic channel in Melbourne. The notion gained currency in political circles in mid-1974 when Spigelman discovered that the ABC possessed standby transmitters in Sydney and Melbourne which could be used to broadcast experimental AM programming, if the government was willing to issue licences. Spigelman claims he heard about these transmitters, unofficially, from the Department of the Media. The information reached the department, also unofficially, from ABC executives (Spigelman 1981).
The Commission was about to become an active participant in government policy-making.

The Minister, Doug McClelland, was advised of these suggestions for temporary AM radio stations. He authorised Peter Martin to sound out informally ABC officials about the possibility of new licences. Martin found ABC executives aware of discussion within the government about possible temporary AM stations and prepared to negotiate to capture these licences for the ABC. Ray Newell from the Department of the Media also found that ABC officials were interested. He took news of ABC support back to his department while Martin told the Minister of the ABC's interest. The ABC's position became part of government thinking about broadcasting policy options (McClelland, Martin, Wyndham 1981).

Once word reached Commission managers about the possibility of new stations, the ABC began preparing its case. Arthur Wyndham, Acting Controller of ABC radio network 1, prepared a paper for the Commission on "Young Style" radio. His brief asserted that the ABC was incapable of attracting the young without more stations; new stations would give the ABC an opportunity to compete for younger audiences and to experiment with new forms of presentation and music beyond the scope of traditional ABC programming (Wyndham 1981). Wyndham's paper was carefully and cleverly worded to reflect the interest of the government in new types of radio services. The Commission accepted Wyndham's comments which were passed on, at least in substance, to the Minister. ABC executives were keeping informed about government thinking and framing their case accordingly. As Concetta Benn, an ABC commissioner, noted

No direct instruction was given to the ABC. It is sufficient to say that the managers of institutions tend to curry favour with those in power. (Dugdale 1979:ix)

Martin and Spigelman met at Prime Minister Whitlam's suggestion in
August 1974 to discuss ‘low cost’ broadcasting options (Spigelman 1981). Before them were the idea of temporary AM rock music and access/ethnic stations, information about the ABC’s standby transmitters and an awareness that the ABC was keen to experiment with new formats. Peter Martin later said: "With no money to spend, it turned out that the easiest and cheapest thing to do was to say to the ABC: You can have a new station but you can only have it on condition that it is going to be in Sydney a station for young people and in Melbourne it will be an ethnic community station" (1981).

Martin and Spigelman recommended that the government issue licences to the ABC for AM stations using the ABC’s standby transmitters. Once the stations were established, they suggested, the government could hunt for funds to transfer them to FM. The recommendation was supported by Prime Minister Whitlam. Senator Doug McClelland’s feelings about the proposal did not seem to concern anyone: the decision had been taken out of his hands.

There had been no formal request from the Commission for new outlets. On the available evidence, it appears that the Commission had not officially discussed such a proposal. Yet clearly the attitude of the ABC played an important role in government decisions about broadcasting.

In September 1974 the Department of the Media approached the Commission and invited it to consider broadcasting on two new AM frequencies, bearing in mind that no extra funds were available. However, the PMG (now restructured as Telecom), which controlled the ABC’s transmitters, produced an adverse report on use of standby transmitters and the whole issue went back to Cabinet.

On 24 September 1974 Cabinet re-considered broadcasting. As a long term measure, it authorized planning to proceed for 14 new FM and 14
new AM radio stations. For the short-term, Cabinet considered the proposal for 'experimental' ABC stations. The Telecom report that the standby transmitters were not suitable was submitted and, according to Dr. Moss Cass, did "not go down well" (1981). Cabinet accepted the ABC temporary AM stations proposal. According to Cass, "Cabinet issued a directive that Telecom was to provide the transmitters for the two stations...we didn't discuss it in any more detail than to agree that that's what should happen and we directed both authorities - Telecom and the ABC - to get on with it: Telecom to make the transmitters available and the ABC to set up the stations and start broadcasting as soon as possible" (Cass 1981).

Despite the enthusiasm of Cass and others, some Cabinet members were wary of the proposal: as Senator Doug McClelland noted "...some people thought that there was a tendency to be rushing into it without effective planning". Not all liked the idea of the ABC running a rock music station: McClelland remembers "one of my colleagues from Melbourne expressing disgust at such a proposal". Nevertheless, apart from some concern that the matter was being done hastily, "I don't think there was any objection" (McClelland 1981). To observe the propriety of ABC independence, the Commission would be offered two extra frequencies and was, of course, under no obligation to accept them. But as Peter Martin has remarked, "Cabinet was offering the ABC a choice: they could knock it back - but it was made plain that it was the only offer they were getting" (1981).

Cabinet accepted the submission of the Minister for the Media, recorded as decision 2729. The creation of stations which became 2JJ in Sydney and 3ZZ in Melbourne was authorised by decision 2729 paragraphs 2(iv) and 2(v) respectively.

To establish and run the new Sydney rock music station, ABC executives
recruited young ABC radio producers, who had risen to prominence within the organisation through the NSW ABC Staff Association and through the Radio Action Movement (RAM) — an informal group keen to experiment with new radio formats. RAM activists had strong contacts with the ALP, and had probably participated in the general vague discussions within the Party which led to the original idea for experimental ABC stations (Webb, Martin, Winter, Wyndham and Zelinka 1981). Now the RAM producers were given an opportunity to establish a very different type of ABC unit, rejecting the traditional ABC hierarchical structure in favour of staff participation in decision-making and elected station co-ordinators. The choice was a shrewd one by ABC management, for it signalled to the government that ABC 'radicals' would be given their chance to be heard, and demonstrated that the ABC was capable of sympathetic, modern management.

When it went to air on 19 January 1975, less than four months after the Cabinet decision, 2JJ became Sydney's first new radio station in 43 years, and the ABC's first venture into sustained programming for an audience of 16-25 year olds. Despite reception problems, 2JJ quickly captured a large slice of its target audience — a new experience for the ABC. 2JJ's innovative, brash, lively and sometimes offensive format challenged the predictable and staid programming of commercial radio. There were urgent pleas that 2JJ's licence be revoked from FARBe, the B & T Weekly (an advertising journal) and publications of the Catholic Church.

Senator Doug McClelland became proud of the ABC's "enfant terrible" and supported it from attacks by commercial broadcasters. From July 1975 2JJ found a champion in the new Minister for the Media, Dr Moss Cass. For Cass, 2JJ symbolised what Labor should be doing in the field of broadcasting. He claimed that the station "put people in touch with their emotions: it can free them from an automatic acceptance of the artificial rhythms of urban and suburban life. In a very real sense, 2JJ is
a deconditioning agent" (Inglis 1983: 375-376). Cass defended 2JJ in Parliament and supported the station in the face of strong press criticism of its more controversial programming. Cass wanted every Australian capital city to have access radio, ethnic radio and a station like 2JJ. He authorised a landline to Melbourne to begin relay broadcasting of 2JJ in December 1975 — a decision not honoured by the caretaker Fraser government (Cass 1981. Rosenbloom 1978:82). 2JJ, however, survived the change of government and became an established part of the ABC. Its twin station, Melbourne’s 3ZZ, was not so lucky.

The creation of 2JJ was a political decision by a Minister floundering in a difficult portfolio. When in Opposition, McClelland found it easy to criticise the lack of diversity in the Australian broadcasting system. But as Minister he discovered the difficulties facing a reformer who does not fully understand the system he wants to alter. It is ironic that 2JJ, a short-term expedient to mark time while the government sorted out policy problems, would become a symbol of a radical government.

Des Foster, the Federal Director of FARB, alleged in an Advertising News article that "there is a stench about the whole of the 2JJ episode. It reeks of secret deals, patronage and partisanship" (19 March 1976): Foster argued that the Labor government pushed 2JJ and 3ZZ onto an unwilling ABC (1976: 157-8). The evidence suggests, however, that far from being unwilling, the Commission was delighted with its new AM stations and used the opportunity to show the government that it could provide new services in a cheap, effective and innovative way. With 2JJ, and later 3ZZ, the ABC staked a claim to be a beneficiary of the media reforms many expected from a Labor government.

During 1974 the ABC unofficially lobbied the government for more radio outlets. 2JJ and 3ZZ were the first tangible results of these representations. Though Semmler talks of the ABC accepting "what was
tantamount to political direction without demur* (1981:33). In fact ABC executives embraced the offer of new licences with unabashed relish. The negotiations and establishment of new stations gave several recently appointed senior ABC managers an opportunity to enhance their reputations as administrators in tune with the times. By efficiently launching 2JJ and later 3ZZ, the ABC demonstrated its ability to faithfully mirror the intentions of the government's media policy. This success indicates the extent of informal contact and information flow between the government and the Commission. The ABC, though a statutory body, had become part of the complex political web of decision-makers.

Not all ABC executives were pleased with the acquisition, however. General Manager Talbot Duckmanton felt that acceptance of these temporary AM licences could be seen as 'infringing on the ABC's independence, breaching the tradition by which governments provided transmitters and the Commission decided what went out on them' (Inglis 1983a:378-379). Professor Richard Downing, Chairman of the ABC, did not agree that ABC independence might be compromised. He preferred to emphasise the formal offer rather than the informal arrangement reached between the government and Commission:

As a matter of record I think you'll find the Cabinet decision merely gives us two stations without any invitation or decision at all: it would be very doubtful in any case whether the government without legislation could direct us to do any such thing. I would have thought that this is the kind of thing that evolves in discussion with ministers, general managers, chairmen and so on, but in the end it was definitely an autonomous decision of the Commission...But does it matter terribly much how it came about? (Dugdale 1979:3)

Dugdale disagrees with Downing, arguing it matters very much how decisions are taken because they provide precedents. In June 1977 the Fraser government instructed the ABC to close 3ZZ. The Minister for Posts and Telecommunications defended his government's decision by arguing that "since the previous Labor government had directed the ABC to
establish the station it was his government's undoubted political right to close it." Neither the Commission nor ABC management disputed the Minister's logic (Dugdale 1979:3).

The 3ZZ Case

At the time 2JJ was established, the Labor government also issued an experimental licence to the ABC to begin 3ZZ in Melbourne, an access/ethnic community station.

3ZZ enabled ethnic, political, social and cultural groups to broadcast a wide range of viewpoints. The station was frequently attacked by some politicians and sections of the media: there were claims that the station was dominated by 'left-wingers', that pro-terrorist views were being expressed on air. Rosenbloom notes that "as it happened, many of the ethnic representatives on 3ZZ had left-wing views: these people were genuine representatives of their communities, and they ensured that competing or conflicting views were not suppressed" (1978:140). Given that 3ZZ broadcast in 28 different languages, it is unlikely that even its most persistent critics from Quadrant and the National Civil Council's Newsweekly really knew what went to air for more than a fraction of total broadcasting time.

In September 1976 the Fraser government 'invited' the ABC to assume overall responsibility for ethnic radio in Australia, announcing that "the decision would give the ABC the opportunity to rationalise ethnic language services" (Dugdale 1979:142). The 24 ABC staff members working at 3ZZ correctly interpreted the announcement as the government signalling its desire to discontinue 3ZZ and replace it with more conservative, less political ethnic radio - a reading shared by ABC management, which noted in a briefing paper that "Cabinet's clear intention is that 3ZZ should be closed down" (ibid:144).
Documents leaked from ABC management suggest that ABC Chairman Sir Henry Bland was privately negotiating with government ministers to replace 3ZZ with an ethnic station advised by a committee but without public access. Other Commissioners apparently were unaware of this correspondence (ibid: 146-147).

On 9 December 1976 the Commission announced its willingness to accept responsibility for ethnic broadcasting in Australia. There were, however, difficulties over finance and staff matters yet to be resolved. When Bland resigned as Chairman, negotiations were taken up by his successor, J.D. Norgard. Media reports, meanwhile, picked up the suggestion that the government intended to use the establishment of new ABC ethnic stations to close down controversial station 3ZZ, particularly after complaints from some sections of Melbourne's Jewish community about certain 3ZZ programs. Questions were asked in Parliament about the government's intentions for the station; the Minister, predictably, responded by noting that the ABC was independent and 3ZZ was under its jurisdiction, but his answers were "frequently qualified in the press by casting grave doubts on the responsibility of the station's broadcasts in sensitive areas" (ibid: 158).

The Age of 9 June 1977 reported that the ABC had estimated a cost of $2.5m per year to run the ethnic stations. The government, however, offered only $1m and suggested the ABC reallocate $500 000 toward the cost by closing down access station 3ZZ. A week later the government rejected the ABC's request for $2.5m and let the ABC know that it was considering withdrawing the 'offer' of ethnic radio licences.

On 30 June 1977 Cabinet announced that it had decided to establish a new independent authority, the Special Broadcasting Service, to provide an ethnic broadcasting service. The offer to the ABC was withdrawn. Furthermore, as new ethnic stations might provide services already available on 3ZZ the government had "reviewed the role of 3ZZ...the
government saw no point in duplication and has therefore decided that
funds should not be provided to the ABC to continue the 3ZZ experiment in

Thus the government used the statutory provision requiring the Minister to
approve ABC estimates to close down an ABC radio station. Because 3ZZ
operated on an experimental licence, its budget was not absorbed into a
general estimates item such as ‘radio programs’, but listed separately in
the ABC’s budget papers. The Minister approved all ABC estimates except
the 3ZZ item. Commission documents show that a letter dated 20 June
1977, from the Secretary of the Department of Posts and
Telecommunications, conveyed to the Commission a Cabinet decision of 14
June that funds would ‘not be provided to the ABC for continuation of the
experimental access radio station 3ZZ. Melbourne’ (Minutes, Commission
meeting No. 509: 2).

At its regular meeting on 1 July 1977 the Commission discussed the
withdrawal of the offer of licences for ABC ethnic radio stations and the
government’s order to close down station 3ZZ. ABC General Manager
Talbot Duckmanton noted that although the Cabinet decision meant that the
ABC could not spend any more money on 3ZZ from that day, he had
‘received verbal advice from the Minister for Posts and Telecommunications
that a reasonable ‘running-down’ period would be allowed prior to the
closing of the station’ (Minutes: 5).

The Commissioners had to respond. Numerous messages from 3ZZ
staff, supporters and unions urged the Commission to ‘reverse decision’.
as a telegram from Actors’ Equity put it. 3ZZ staff waiting outside the
board room argued that the Commission had a duty to defend ‘not only
3ZZ but its own integrity’ (Dugdale 1979: 167). A lengthy debate ensued,
with some Commissioners ‘close to tears of rage’ with frustration
(ibid: 167). While all ABC Commissioners opposed government intervention
in ABC policy decisions, they were divided on how to react. West Australian lawyer Richard Harding argued that the government had no right to tell the ABC it could not spend $320,000 on 3ZZ. He put the case for the Commission to "make internal savings from its total appropriation and allocate funds to the operations of 3ZZ" (Harding 1979: 111). Other commissioners felt differently. Professor Leonie Kramer argued that the government action in closing down 3ZZ was "proper" because 3ZZ had "broken Commission guidelines and was editorialising". Kramer accepted the government's right to use the budget system in this way, though she acknowledged that it is "a dangerous power to exercise" (Kramer 1984).

After a lengthy debate the majority of commissioners agreed to abide by the Broadcasting and Television Act, which provided that the ABC could not spend money other than in accordance with estimates approved by the Minister. The Commission recorded the following statement for release to the press that day:

At its meeting in Sydney today, the Commission considered the government’s decisions, announced yesterday, to withdraw its invitation to the ABC to provide an ethnic broadcasting service, and to confirm its earlier decision not to provide funds to the ABC for the continuation of station 3ZZ.

The Commission wishes to make it clear that the proposals it submitted relative to ethnic broadcasting were not accepted by the government. These proposals essentially concerned the funding and staffing requirements the Commission believed necessary to provide, as requested by the government, a broadcasting service of a professional standard.

The Commission has decided with regret that it has no alternative but to accept the government's decision with regard to 3ZZ. That decision is not related to the matter of the Commission’s independence. The Commission’s independence is a qualified independence, confined to the formulation of program policy.

The Commission cannot continue the operation of 3ZZ without the provision of funds. Consequently, steps are being taken to close the station as soon as practicable. But, in the meantime, the Commission is making urgent recommendations to the Minister for Posts and Telecommunications to have the government’s decision not to provide funds reconsidered. (Minutes Commission meeting 509 item 188280)
The government declined to 'reconsider' a decision which, according to Rosenbloom, "effectively stifled" the ABC "as the voice of a pluralistic society" (1978:141). Surveying Cabinet's use of the estimates process to shut down 3ZZ, historian Ken Inglis noted:

"This seems to me to have been quite an extraordinary ground to have chosen. That passage had been in the Act for a long time but I don't know that anyone had talked about it or evoked it. We've never heard of it since. It was simply evoked at that one moment for justifying the ABC's acquiescence in a government decision about how it should spend its money. (Doubletake interview 23 June 1983)

Inglis believes that many Commissioners accepted the government's right to cut the ABC's grant by $300,000 but felt it was not proper for the government to say that any cut "has to be applied to 3ZZ" (ibid). Those Commissioners such as Richard Harding, Marius Webb, Kevin Jacobsen and Concetta Benn who opposed the ABC's acquiescence wanted the Commission to repeat the ABC's performance of 1970 in standing up to the government. Then a government threat to cut the ABC's television current affairs budget had been successfully resisted. The situations were not perfectly analogous, however. In 1970 the ABC was dealing with a government attempt to cut overall estimates but to direct the ABC how to achieve savings. In 1977, the government refused to accept a specific estimate: this time there could be no doubt of the government's legal right to make that decision for the ABC. So in 1977 the Commission accepted its new role of 'qualified independence' and spared the government the embarrassment of 'introducing an Appropriation Act framed specifically to deny funds for 3ZZ. rejecting the post-budget estimates in terms directed against 3ZZ. or using its planning and technical powers to close the station' (Armstrong 1982:107). 3ZZ ceased transmission at 10:55 pm on 15 July 1977. The next day the 3ZZ premises were closed, with the help of plainclothes Commonwealth police, to prevent staff carrying out a threat to broadcast illegally. On the 17th Telecom engineers shut down the transmitter (Harding 1979:113)."
Summary: The Political Control of ABC Resources

Academic David Griffiths has criticised opponents of the closure of 3ZZ, noting that 3ZZ and 2JJ came into existence at the initiative of government, not the ABC:

Is it that you agree with one and disagree with the other? If it is accepted that the Labor government had a right to interfere with the independence of the ABC, why is it not accepted that the present government also has a right to interfere with the ABC? (quoted in Inglis 1983a:409)

There is, however, a small but significant difference. In 1977 the ABC was instructed to close down a station. In 1975 the ABC was offered licences. It could have turned down the offer, though to do so would have deprived the ABC of a chance to impress the government with its eagerness to get involved in changes to the media system. In both cases governments used control over resources to change the ABC; though politicians established the character of the new stations, there is no evidence that politicians attempted to influence individual programs.

The political circumstances which created 2JJ and closed down 3ZZ have changed but the relevant legislation has not. Though planning for new stations is now more regulated through a National Broadcasting Service Planning Committee, the final responsibility for issuing licences remains with the Minister. The Minister also controls the form and approval of ABC estimates. Though ABC and government officials stress that the extraordinary events in closing down 3ZZ are unlikely to be repeated, there is no legislative bar to a future government following the 1977 precedent. 3ZZ may have been unusual in appearing as a separate item because of its experimental status, but its demise creates a precedent. Governments can request ABC estimates in any level of detail they require. A Minister could demand that the cost of individual ABC programs be included as separate estimates items requiring ministerial approval.
The normal planning procedures and the statutory responsibility of the Minister to design the Australian broadcasting system make the provision of new services always a political decision; the 3ZZ case suggests that government involvement can extend to deciding which services will be allowed to continue operations. Government control over resources - financial and in the form of licences and through statutory control over the development of the broadcasting system - allows politicians and not the ABC to determine what form of services the national broadcasting organisation should offer.
Chapter 4
THE POLITICAL INDEPENDENCE OF THE ABC
4 CONCLUSIONS: THE POLITICAL INDEPENDENCE OF THE ABC

In 1932 W.H. Holman lectured the House of Representatives on the reasons for creating a statutory corporation. By taking a contentious operation out of the hands of politicians and giving it to an independent commission, he said, Parliament would ensure that its function became non-partisan:

The purpose of appointing a railway, a broadcasting or any other commission is to ensure that the policy dominating the enterprise affected shall be consistent and coherent over a long period and protected from the pressure of members of Parliament or member's constituents with axes to grind, exercising its best judgement in the interests of the enterprise entrusted to it. (quoted in Rydon 1952a:17)

The debate eventually concluded when Parliament established the Australian Broadcasting Commission as a statutory corporation. Parliament wanted a reliable, authoritative and impartial national broadcasting service free from political interference. As a statutory corporation, it was hoped the ABC would remain accountable to the politicians for its administration but independent in its program policy. As a broadcaster, it was hoped, the ABC would provide a service essential to democracy:

Commercial stations can expose wrong-doing and ventilate public issues as well as entertaining, but they are limited by the interests of people like shareholders and advertisers. Public broadcasting stations may also be influenced by their shareholders or sponsors. Only the ABC can be expected as a matter of principle always to publish the truth without fear or favour, to broadcast material which may offend the artistic, commercial or political establishment of the day. (Armstrong 1982: 101)

In the half-century since Holman spoke, the issue of ABC independence has rarely strayed from the political agenda. Sometimes supporters of the national broadcasting system have asserted confidently that the ABC can operate without fear or favour. For others, ABC independence has
seemed tenuous and perishable. To Earle Hackett, for example, the ABC seemed "as important to the smooth functioning of Australian democracy as is an independent judiciary or an elected Parliament", yet he could see nothing protecting the organisation except the goodwill and determination of "a few individuals meeting at odd times and in odd places" (Inglis 1980a: 28).

In 1932 politicians created an ABC with independence guaranteed by legal and institutional arrangements. Holman's argument, accepted by all parties, called for Parliament to set the boundaries of activity for the statutory corporation, finance the organisation and monitor compliance with its Act but not to determine Commission policy or allow politicians to get involved in the ABC's day to day management. When the ABC was reconstituted as a Corporation in 1983, Hansard recorded speeches filled with hope that the new legislation, the conventions of statutory corporations, the traditions of public service broadcasting and public expectations would continue to ensure in practice the independence granted to the ABC by legislative theory.

This question of independence, played out in the context of complex interaction between Parliament, the state and the Corporation, has been the central focus of this institutional study. Through examination of the macro settings and the organisation itself, this work has investigated whether the rhetoric of an independent but accountable ABC is realised, or whether the Corporation is part of the general machinery of government, with its independence a convenient fiction.

**The Debate Over Institutional Independence**

In the December 1952 edition of the Australian journal *Public Administration* Joan Rydon, a research officer from the University of Sydney, assessed the independence of the Australian Broadcasting Commission. She found that independence granted to the ABC in 1932
had been "gradually lessened in every sphere" with the ABC being subject to "ever-increasing government control". Rydon concluded that the experience of the ABC "Illustrates the weakness of any notion of independence for government instrumentalities" (1952b:204).

When ABC Chairman Richard Boyer decided to reply in print, a debate ensued which touched upon many issues involved in the ABC's role as a statutory corporation. Boyer found Rydon's conclusions "too sweeping" (1953a:56): he argued for a distinction between administrative arrangements - in which the ABC was undoubtedly closely linked with the government bureaucracy - and the reality of the ABC's functional independence to produce impartial programs. Boyer criticised Rydon's "absorption in the administrative framework as being an absolute touchstone on the issue of independence" and instead suggested that successive Parliaments had actually strengthened the Commission's power to make its program choices without ministerial involvement (ibid:57-58).

Rydon did not accept the administrative/functional distinction drawn by Boyer. She insisted that the ABC could not be considered independent while Parliament controlled ABC finances and appointments to the Board:

The position is that pressures, both formal and informal, are bound to prevent the ABC from asserting any potential independence it may have. Only so long as the ABC does not make use of its potential independence can it retain it. If the Commission should at any time attempt to oppose the government, it is obvious that the outcome of any struggle must be victory for the government. (Rydon 1953a:62)

This claim did not please Boyer, who again charged that Rydon had not grasped Parliament's intention in creating a Commission. Rydon was judging the ABC by absolute standards rather than in the context of its functions as a statutory corporation, performing tasks specified by Parliament and remaining accountable for its actions. Boyer spelled out his notion of a limited ABC independence bound by the interests of Parliament. The ABC, said Boyer, does not have
...the sort of independence which is exercised, for example, by the newspapers who feel free to espouse this cause or that, or to attack governmental or opposition policies as they think fit. The ABC has never claimed and indeed should never be clothed with independence of this character. It would be quite outrageous for Parliament to set up a body at public expense and to arm it with the vast propaganda potentialities of the national radio system, to conduct campaigns for causes of its own choice. (1953b:114)

Boyer went on to define what he saw as the essential characteristics of ABC independence. Firstly, he said, the ABC must ensure that a national broadcasting service is not used for campaigns—political, religious or ideological. Secondly, the ABC must ensure that adequate debates on issues of importance take place and that reasonable facilities are provided for opposing points of view to aid the community in its judgement. In his opinion Parliament had given the ABC adequate functional independence to perform these tasks without political involvement.

In response Rydon once more declared that any ABC autonomy flows merely by the grace of the government, or of particular ministers, for its 'potential' independence has been limited" (1953b:114-115). With this impasse the editor of Public Administration declared the debate closed.

The Rydon-Boyer debate canvassed some essential issues of independence for a statutory corporation. Unfortunately the protagonists argued at cross purposes because they could not agree on a definition of 'independence'. For Rydon independence appeared primarily a question of mechanics. If the ABC controls its own funding, if appointment to the board is not blatantly partisan but represents a spectrum of opinions and experience, and if government departments do not intervene in ABC administrative matters, then— for Rydon—the ABC could be considered independent. Her approach anticipates David Corbett’s discussion of using an ideal model to highlight the essential attributes of an independent statutory corporation (1965:187-188). By Corbett’s criteria, the ABC
indeed fails to exhibit many requirements of an autonomous public corporation; it is dependent on the government for funds, it does not have complete control over its staff arrangements and it is not free from detailed continuous scrutiny of its administration.

Corbett's own work on public aviation corporations, however, moves beyond a static model to explore the context, purpose, goals and daily operations of a statutory corporation. This was the approach favoured by Boyer, who looked for the reality behind the form. He felt that the focus of discussion should be on results, intended and unintended, from the parameters within which the ABC must work, rather than on the formal structure of the organisation. Whereas Rydon stressed the mechanical details of ABC legislation, Boyer pointed to the intention of Parliament in setting up the ABC as a statutory corporation accountable for its administration but retaining independence in program decision-making. Boyer emphasised the ideology and traditions of public service broadcasting which constrain blatant political interference. He concluded that although the ABC does not meet the administrative criteria set down by Joan Rydon, it nevertheless enjoys significant autonomy. Though logically argued, Rydon's conclusion relies on a mechanical definition of 'independence' which is simply too narrow to realistically assess the performance of the ABC. Boyer's arguments, on the other hand, point to the wider context in which ABC independence should be judged.

The distinction between administrative and functional issues introduced by Boyer is an important qualification to discussion about the ABC, for it establishes the different forms of independence. It is a distinction which reflects the inherent contradiction in the nature of a statutory corporation - that it should be responsible to a minister yet also independent. The distinction between administration and function helps Parliament resolve the tensions between accountability and autonomy. It allows governments to fulfill a responsibility to ensure that resources are being used effectively
and honestly without having to bear responsibility for Corporation program decisions. In this schema government intervention in administration cannot be equated with political interference in program decisions.

As Rydon points out and Boyer implicitly acknowledges, ABC administration is not free from outside interference. This was true for the Commission when Rydon wrote and remains so for the Corporation. There are a large number of political and administrative checks on the Corporation. The ABC must present detailed accounts to Parliament and negotiate for finance with a minister. The ABC must deal with a host of government agencies to arrange everything from accommodation to transmitters. In the name of accountability, the Corporation is enmeshed in a web of bureaucratic requirements and must live under the scrutiny of parliamentary committees and inquiries. Such requirements force the ABC to justify administrative decisions to external monitors; they are a significant drain on the ABC’s resources and an impediment to efficiency as the ABC must constantly explain and justify its use of public money.

Though not (as Rydon asserted) conclusively fatal to ABC autonomy, these administrative arrangements pose considerable dangers to ABC functional independence. Through the budget process governments control the overall resources available to the ABC; governments can use bureaucratic instruments to reduce the scope of the ABC through financial impositions, staff ceilings, new obligations on ABC resources or even restrictions on international travel. Government power over transmitting stations, the planning of new services and appointments to the ABC’s Board of Directors give politicians considerable influence over the scope and direction of the organisation. Legislation may also give other bodies, such as the Department of Communications, Commonwealth Ombudsman or the Australian Broadcasting Tribunal, jurisdiction over certain ABC administrative procedures. Through administrative means governments can set the boundaries within which ABC functional independence must operate.
Nevertheless, the legislative intention of Parliament was to create and fund an organisation with sufficient independence to make impartial, objective and balanced broadcasting programs. This independence is premised on a multi-party Parliament with all sides having a vested interest in maintaining the neutrality of the national broadcasting service. Imbued with the BBC ideology of public service broadcasting, Parliament gave the ABC its form in a statutory corporation which allowed accountability for administration but independence in function. Into this statutory corporation Parliament built a mechanism for direct ministerial intervention—'in the national interest'—on the assumption that at other times the responsible minister would have no role in ABC program decision-making.

For despite administrative restrictions, there remain strong pressures on the ABC to produce its political news and current affairs programs without fear or favour. There is the legislative requirement on Directors, contained in the Australian Broadcasting Corporation Act (1983), to ensure the integrity and independence of the Corporation. There is critical comment from Parliament, media and public if the ABC appears in any way to compromise its function. There are also pressures within the organisation from staff and managers committed to the ethos of professionalism and suspicious of any attempt at editorial censorship. Internal pressure to maintain functional independence is sometimes reinforced by the commercial media, which has proved willing to reproduce leaked documents and has played a conspicuous part in public controversies about the integrity of the ABC.

There has been a fundamental change in the organisation since its early years when it avoided controversy and was, in the words of Alan Thomas, "a compliant institution" (1980:91). Since the commitment to information programs in the 1960s, public expectation of an impartial ABC has constrained political interference and pressured the ABC to live up to its purpose. ABC programs decisions are now made within a complex and
fluid structure. The constant tension between management and production units, the distance of the Board of Directors from production decisions and the adverse political consequences of exposed attempted interference all make it difficult for politicians to interfere in specific program matters.

Because the ABC is a highly centralised organisation, it is difficult for state politicians, or interest groups, to influence programming which is determined by Head Office in Sydney. Influencing ABC decision-making is not much easier for a political or interest group with a federal grievance. The difficulty for an outsider is finding a point at which pressure can be brought to bear on the Corporation without the risk of exposure.

Anyone attempting to persuade the Board of Directors to reach a favourable decision about a specific ABC program would discover that the Board is reluctant to become involved in program matters and generally only comments on items referred to it by management. The convention is firmly established that members of the Board set down general policy guidelines but do not intervene in program decisions unless an opinion is specifically requested.

ABC management usually has final responsibility for deciding which programs go to air. This makes managers a logical target for political pressure. The first problem, however, is finding the manager with line responsibility. The confused lines of authority resulting from the ABC's long and incomplete transition to media management, and the sheer complexity of the ABC's structure, make it difficult for an outsider to identify the appropriate decision-maker. Even if the right person is found, a politician would learn that ABC managers are far from keen on arbitrary censorship: since current affairs programming was established in the 1960s, ABC management has played a monitoring rather than direct supervisory role. Primary responsibility for program content no longer rests with managers who read every script and vet every interview: sheer
pressure of work and the industrial power of creative staff has forced
delegation of most day to day program decisions to professional
broadcasters, albeit within policy guidelines set by the Board and program
briefs approved by management.

Thus management acts as a system of referral and is reluctant to
assume an editorial role. Although senior managers have power to issue
editorial directives, such orders must correlate with the ABC's stated policy
aims of objective, impartial and balanced programs. Judgements which
could be portrayed as censorship are likely to spark political controversy.
The public humiliation of Assistant General Manager (Radio) Keith
Mackrell in 1976 over the Boyer lectures, and of Assistant Managing Director Stuart
Revill in 1984 over his order suppressing a Four Corners interview, are
constant reminders to managers not to get involved in specific program
matters unless they can make a strong case for intervention.

Finally, a politician applying pressure directly on an ABC production unit
about a specific program runs the considerable risk of being exposed on
air for attempted interference. Beyond refusing interviews, there are few
sanctions a politician can invoke against ABC employees to obtain
favourable treatment. ABC staff have tenure and their careers are
protected from outside interference by the legislative provisions of the
statutory corporation. They work within an environment with a pervasive
ethos of professionalism. The same policy aims of objective, impartial
and balanced programs which constrain managers from arbitrary censorship
also deter staff from partisan broadcasting. While it may be difficult for
management to intervene in the case of a single biased program, any
broadcasting officer considered a persistent offender is likely to be
redeployed. The public expectation of ABC independence which restrains
politicians also maintains the commitment within the organisation to
impartial public service broadcasting.
Threats to Functional Independence

The device of a statutory corporation and the traditions of public service broadcasting have given the ABC a significant measure of functional independence. Despite government opposition in the 1960s, the ABC was able to expand its news and current affairs programming. The commitment to political information and analysis survived the difficulties of the later 1970s and is now incorporated in ABC legislation. Though political programs have meant frequent and inevitable clashes with successive governments, the ABC has largely maintained its integrity in functional matters; only in administration does the ABC’s autonomy remain curtailed. Beyond the dangers of increased administrative impositions on the organisation, however, there are several serious risks to continued ABC functional independence.

The first is Parliament’s control over the level of ABC resources. The system of annual direct grants is often cited as detrimental to ABC autonomy. History is inconclusive on this point, suggesting only a potential for political interference inherent in the budget process. The need to present an annual case to the government for continued funding may lead to a confusion of roles: as a broadcaster, the ABC is expected to be neutral but as an organisation the Corporation must lobby governments and protect its own interests. The annual budgeting process forces the ABC to become a political actor; there is a risk that ABC executives might let financial considerations influence judgements about functional issues.

There is a further danger in the financial process. The estimates clauses in the 1983 ABC legislation specify that once Cabinet has approved a budget for the ABC, this money can only be spent in accordance with estimates approved by the Minister. These budget estimates must be in whatever detail the government requires (1983 legislation, section 69.1 &
2). Though normally presented by the ABC in functional categories, the minister could request estimates submitted in the form of program budgets, and then use the estimates provisions to refuse funding for specific ABC activities. The estimates clauses were used in 1977 to close down ABC radio station 3ZZ. No matter how often politicians may promise not to use this process in this way again, while the estimates clauses provisions remain part of the ABC's enabling legislation they are a potential threat to the Corporation's right to determine its own internal allocation of resources.

The ABC has long argued that it should be free of the bureaucratic and political manoeuvring necessitated by annual direct grants from Parliament. The problem has been finding an alternative which guarantees a minimum level of income while keeping the ABC financially accountable to Parliament. A licence fee similar to that which funds the BBC would be regressive, prohibitively expensive and politically unpopular in Australia, given the scattered population and high operating costs for a national broadcasting organisation. In any case a licence fee level set by the government does not reduce politicians' power of the purse. The other frequently suggested method of funding - corporate advertising - has so far been rejected by Parliament as incompatible with the ABC's public service broadcasting role.

The only realistic alternative to annual budgeting is triennial funding for the ABC, similar to that used during the early 1970s for Australia's universities. Each three years the ABC would submit a budget bid. Once a sum was granted the ABC would have discretion in allocating its money over the triennium. Though such funding would not be inflation proof, it would enhance the ABC's independence by providing an assured minimum income. While the ABC is funded by Parliament, the involvement of governments in the financial process can never be entirely eliminated, but triennial rather than annual budgets would distance government and
Corporation, so discouraging Cabinet from making punitive cuts to an ABC in temporary disfavour and removing the incentive for Corporation executives to constantly lobby governments to maintain and extend funding. The current mechanisms for accountability would ensure that Parliament remained informed of how the ABC used these resources.

The second threat to the Corporation's functional independence concerns the claims of the Commonwealth Ombudsman and the Australian Broadcasting Tribunal for jurisdiction over some ABC program matters. These claims are more than purely administrative disputes, because they touch on the ABC's mandate for independence. The Commonwealth Ombudsman asserts a duty to investigate complaints about ABC programs. The ABT implies a legislative right to impose program guidelines on the ABC. Both claims are based on important legal principles which clash with the established principle of ABC program independence. It may be that Parliament will one day uphold the jurisdiction of the Commonwealth Ombudsman and the ABT, but this should not be allowed to happen by stealth. If other principles are to prevail over that of ABC functional independence, this must be through an explicit decision by Parliament or the law courts and not the outcome of bureaucratic power plays.

The third area of concern about ABC independence moves from the macro setting to the organisation itself. ABC Directors and managers have a dual responsibility. They support and supervise program makers but they must also protect the interests of the organisation. There is a risk that resource and new project decisions will be made with an eye to the political and bureaucratic advantages for the organisation. The attraction of the strategic buckle remains. The ABC has traditionally used an organisational structure which places too much responsibility on too few senior managers. This inappropriate structure has frustrated many capable managers and given rise to an often unfair stereotype of ABC management as conservative, timid and sometimes incompetent: yet with so heavy a
workload even the most talented of managers might be tempted to make life easier by not approving projects which could antagonise politicians. In the final analysis, no legislation and no organisational structure can guarantee that personnel in key positions make decisions with the right motives: all structures are only as strong as the people who work within them. Nevertheless, more stringent selection and training procedures for managers, a clearer statement of organisational goals from the Board and a decentralised structure may reduce the vulnerability of the ABC to internal decisions made on politically expedient rather than functional criteria. There are trade-offs in any structural change to the ABC; however, a decentralised structure would reduce the influence of key Head Office managers but may increase the vulnerability of branch managers to state and local pressures.

Overseeing the activities of management is a Board of Directors appointed by government. Though the Board has limited influence within the ABC and rarely makes decisions about specific political programs, Directors do have an important role in deciding the long-term direction of the Corporation: however imperfectly and tenuously. Directors represent the interests of the public in ABC affairs. As Prime Minister Curtin noted in an April 1945 speech:

...in the last resort, the healthy and beneficial function of national broadcasting and the maintenance of public confidence in the system must rest in all matters touching their values (moral, religious, aesthetic and political) solely on the integrity and independent judgement of the persons chosen to determine and administer its policy and not on either review by or pressure from any sources outside it, political or non-political. (quoted in Rydon 1952b:199)

The Directors are ultimately responsible for the performance, independence and integrity of the ABC. They have to reconcile the vague and contradictory aims contained in the ABC Charter while ensuring efficient, comprehensive broadcasting services for the "maximum benefit of
the Australian people”. Despite a clause in the 1983 legislation requiring
the appointment of Directors with relevant skills, there has been no
significant change to the procedure for Board appointments. Directors are
still chosen by governments, after consultation with other politicians. The
ALP government elected in 1983 reneged on its March 1982 commitment to
establish a formal, public committee mechanism for interviewing and
selecting ABC Directors: the past practice of partisan appointment of
unqualified people may continue.

Directors often lack the time, expertise or competence to fully understand
their role on the organisation. Many have commented on how powerless
they felt with ABC management controlling the Board agenda and providing
the only available expert advice on policy options. With notable
exceptions, the general ability of Board members to provide coherent
policies for the organisation has not been impressive. Yet the selection
process for Directors has not been substantially changed and the
introduction of a Secretariat has failed to provide the expected independent
wide-ranging advice to the Board. If Directors continue to be chosen for
their political allegiances rather than their expertise, Boards may find it
difficult to wrestle back control of Corporation decision-making from a
management grown used to inexperienced leadership; such Boards abdicate
their responsibility to represent the public interest within the ABC.

The final area of concern about the continuing statutory independence of
the ABC is the issue of organisational goals and purpose. Parliament
created the ABC in 1932 in the image of the BBC; political and public
expectations of the ABC have been based on an ideology of public service
broadcasting derived from a different cultural setting. As a transplanted
organisation the ABC has never enjoyed the BBC’s clarity of role. With
great insight and sympathy, long-time ABC employee John Temple surveyed
the ABC’s social context:
...it is part of the mandate of the ABC to provide 'comprehensive' programs, which has been understood to include catering for the interests of minority groups. The ABC has done this, in some respects notably well. And yet the ABC, too, is defined by its social context. Its executive and program workers are nurtured in and subject to the pressures of a society dominated by the mass concept and without a confident elite carrying a tradition of high culture. It provides regional services in a country which, unlike older nations, has no deep springs of regional culture. It provides a national service in a country too big, and with a population too dispersed, to have developed a culturally-powerful sense of national community. It provides extensive news and documentary services for a society in which articulateness, controversy and intellectual independence are still often regarded as pesky, if not downright disloyal. It operates within an industry which almost as a mental reflex equates quality with minority, or dullness, or both. It is a centralised, hierarchical, bureaucratic structure which in the nature of such organisations produces an amount of time-serving and timidity. It is, in short, subject to a range of complicated and mutually-reinforcing pressures which are much more important than the occasional attempt by politicians and others to put the hard word on its executives. (1975:8)

Temple points to the pressure on the Corporation. The ABC, working from British notions of monopoly public service broadcasting, has never comfortably fitted into the local competitive broadcasting system; the ABC's traditional emphasis on cultural normative programming, copied from the BBC, condemns it to small ratings and criticism as elitist. The organisation has to contend with commercial rivals lobbying governments to restrict the activities of the national broadcaster, and with politicians and interest groups who apply pressure to see their own view of the world reflected in ABC programming.

With guidance from only a vague and contradictory Charter there is a considerable risk that the ABC will lose sight of its purpose. An ABC which abandons its lonely task of public service broadcasting and instead seeks justification through popularity risks becoming an irrelevant copy of the commercial media. The ABC's mandate from Parliament is to provide a comprehensive, innovative service for all Australians. The ABC should point out the confused demands of its legislation, the pressures from its
competitors, the difficulties of providing comprehensive services with a limited number of outlets. Through public debate and Board papers on philosophy it should ask politicians to clarify the role and functions they expect from the organisation. But the ABC cannot afford to forget that, in the long run, Parliament will only continue to support and fund an ABC which attempts the difficult, perhaps impossible, task of Australian public service broadcasting.

The Political Independence of the ABC

There is substance behind the form, a reality behind the rhetoric of ABC independence. As the Commissioners noted in their statement of 'qualified independence' following the closure of 3ZZ, ABC independence may be limited to functional issues within broad boundaries drawn by Parliament, but the ABC is more than an appendage of government. Most of its resources are allocated to non-controversial areas and so receive little public attention. But in its political programming, the activity which receives the constant attention of worried politicians and their constituents, the Corporation is not subject to Ministerial policy in the same way as a government department: the ABC has considerable freedom to exercise its own judgement on functional matters.

It is hardly surprising that the Directors, management and staff of the ABC will choose programs which reflect the dominant values, norms and beliefs of their society. Ashbolt points out that the ABC is not "independent of the cultural mainstream" (1975:193). In this sense the ABC is not objective, but a reflection of the prevailing political culture and social power structure. But this does not mean, as some imply, that the ABC is incapable of pursuing its aims of impartial, objective and balanced reporting. The folk wisdom of easy and regular political interference in ABC programs does not stand up against an examination of the actual operations of Corporation program decision-making. Certainly there have been breaches of ABC independence, but usually these have been
individuals buckling to personal pressure rather than a systematic problem. Politicians create the context of ABC activities but, given a determined ABC Board, management and staff, politicians should not be able to influence the content of specific ABC programs.

Nevertheless, media reports and critical articles often claim that the Corporation has no real independence. Svensson briefly and superficially examined the ABC’s social setting and pronounced that “any concept of an independent ABC in any historical, technical, or literal sense is mythical” (1978:13). Former Deputy General manager Clement Semmler asserted that Australian politicians “regard the ABC as a medium for their own particular purposes”. He attributed this to a “colonial heritage”:

...since after only two hundred years or so, one could hardly expect Australian legislators to have the sophisticated and informed attitude to their public institutions of their counterparts in countries with much longer and more established traditions. (1981:25)

This common critical response ignores history, legislative theory and Corporation experience. Australia was amongst the first nations to develop the legislative form of the statutory corporation. Since the 1880s Australian politicians have experimented with legislative forms to bestow on certain projects an independence from the state previously enjoyed only by the judiciary. Holman’s speech during the ABC debate of 1932 demonstrates that politicians were conversant with the theoretical basis of statutory corporations and with designing legislation to achieve a balance between accountability and responsibility. The sophisticated device of the statutory corporation has remained successful in giving the ABC sufficient scope to perform its functions without systematic political interference - a tribute to the skill of Australian legislators. The ABC remains independent of government directive, though not of Parliament, which has a right to use legislation or control over resources to re-define the ABC’s role.
The ABC’s success in maintaining its functional independence should not be undermined by unsupported sweeping claims from embittered critics, by judgement against impossible ideal criteria or by spurious comparisons with the BBC, which performs a different function in a different culture. Rather, the legislative device of a statutory corporation should be judged appropriate and successful for the ABC. The device of a statutory corporation has limited the involvement of politicians in ABC matters to setting boundaries through resource allocation and monitoring Corporation administration. When the ABC has failed to maintain its functional independence against outside pressure, it has been because of weak individual managers rather than any inherent flaws in the legislative basis of the organisation. The ABC as an institution has in theory – and in practice – a functional independence which it might sometimes lack the nerve to assert.
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APPENDIX

An ABC Philosophy?

In the last months of writing this thesis, I unexpectedly became involved in ABC decision-making. The material from this experience was not included in the main body of the thesis because the process was not complete by December 1984, and because its manner of collection was different, and rather more subjective, than for other evidence quoted in the work.

Nevertheless, this appendix is included because my observations supported findings about the operations of ABC decision making - the distance between the Board and management, the ad hoc manner of major policy decisions, the continuing dissension and rivalry within the organisation, and the difficulty for the ABC in defining its objectives and justifying its existence to Parliament.

In mid-1984 I interviewed ABC Director Richard Boyer and, in the course of discussions, he asked if I would read a paper he was writing for his fellow Directors. It turned out to be a first draft of an ‘ABC Philosophy’. Boyer felt the organisation was floundering. Without a clear statement of philosophy, he argued, the ABC would continue to make ad hoc decisions about important issues. The Board, in his opinion, should establish a set of principles to guide resource allocation and give confidence to both staff and public that the ABC knows "what it is on about".

I read the paper, and restated arguments already developed for the thesis. I emphasised that it would be difficult to provide an uncontested set of aims and objectives for an organisation as complex and diffuse as the ABC. Because the ABC Charter requires the Corporation to be ‘comprehensive’ and sets out contradictory requirements, it is likely that
only 'parenthood' goals could be agreed. I also indicated the advantages for the organisation in not adopting a too rigid statement of policy - a vague Charter provides scope for flexibility and unobtrusive escape from unsuccessful policies.

Nevertheless, Boyer persuaded me to assist in writing an 'ABC philosophy'. Despite my objections to the concept, I found myself busily redrafting his paper in my spare time. On the basis of this contribution I was co-opted onto an informal committee of ABC managers, which travelled around the country visiting ABC Advisory Councils and discussing this draft philosophy paper with all levels of the organisation.

In March 1985 I was invited to attend a meeting of the ABC Board of Directors. For three years I had been writing about decision-making within the organisation, and at this point I found myself drawn into the process, an observer who had unintentionally become a participant. The meeting was an intense if unfocused two hour discussion of the paper and its implications. The Board was enthusiastic about the Boyer initiative, not least because it saw the paper as a way of answering increasing public criticism that it had lost its way following the poor public reaction to the new ABC news program *The National*. The senior ABC managers present, on the other hand, were rather hostile to the prospect of a Board philosophy paper. They perceived - quite rightly - that some Board members intended to use the paper, and the principles it contains, to reassert their authority over management.

The Board meeting endorsed the contents of the paper but, at the urging of management, agreed on a rewrite to make it less academic and more accessible to its intended audience - politicians and public opinion leaders. There was a quite heated dispute over who should rework the material. Managing Director Geoffrey Whitehead felt that the paper should be given to the internal Secretariat to rewrite. Some Board members,
however, fearing that the Secretariat might be too sympathetic to the concerns of management, argued that the reworking should be done outside the organisation. In the end it was agreed on two rewritings—one from within the Secretariat, the other by a Melbourne academic. Boyer will then draw on both in compiling a final paper.

Attached is the version which was accepted unanimously by the Board meeting of 27 March 1985. Once stylistic changes are incorporated, the paper will be published as Board policy in June–July 1985. The intention is to convince Parliament that the ABC Board has, at last, sorted out its policy problems. There is talk of seminars, or even a television documentary, to sell the philosophy to the public.

Many people have contributed to this paper, and it is no longer possible to distinguish clearly my early redrafting from later revision. Nevertheless, the mission statement, the overview, the definition of national broadcasting, the section on ABC role determinants, some of the material on information and analysis, and the principles which conclude the paper are all at least partly based on my original reworking of Boyer's paper. Boyer and I have always disagreed on the ABC's role in setting community values and ethics, and on ratings and standards, and sections on these issues reflect his opinions.

This philosophy paper provided an unexpected opportunity to observe the ABC policy formulation at first hand. The process was fascinating, though I did not revise my original position that any statement of philosophy for an amorphous multi-functional organisation is likely to be so vague as to be of little practical application. Evidence gathered for the thesis pointed to the 'information overload' on Board members, where directors lacking sufficient time or information to explore all issues end up endorsing policy proposals put by managers or Board members whose expertise in particular field is recognised. The Board debate about the philosophy paper, though
long-winded, did not suggest that all Board members understood the implications of the paper they endorsed. ABC management, however, clearly recognised that this paper might affect their sphere of responsibilities, but framed their objectives in terms of style or publication details. Given the ad hoc decision-making which has produced this draft, it would not be surprising if the final version of a philosophy paper intended to rationalise decision-making and end internal rivalry between the Board and management should itself become a political issue within the ABC.
Public service broadcasting faces considerable uncertainties about its future in most western democracies.

As technology multiplies the frequencies that can be used, as satellites extend broadcast coverage, and as commercial and other broadcasters have increased in number and proficiency, the justification for public expenditure on 'national services' is no longer being taken for granted. Adding to this concern is the large cost of television. Even the BBC, on which most of these national broadcasting services were originally patterned, now faces serious questions about its viability. Questioning of the worth and thus the future of the ABC is therefore to be expected.

Much of this questioning focuses on a belief that the ABC is not functioning as efficiently as it should. This is undoubtedly a factor. But the issues are more basic than any administrative deficiencies; deficiencies which are themselves importantly the consequence of the more fundamental - if less obvious - challenges to national broadcasting which technological and other changes have wrought.

The essential question is thus whether there is now a role for a public broadcasting system such as the ABC which justifies the cost involved. If there is such a role it is important that it be identified in a publicly stated philosophy.

With a clearly enunciated philosophy Parliament and the community generally would know what to expect of the ABC and be better placed to judge its worth. ABC performance - how its programs 'live up to' the principles and policies inherent in its philosophy - could be more effectively monitored.
Perhaps more importantly such a philosophy would facilitate informed criticism of, and comment about, the organisation. The Corporation could then respond more effectively to changing community needs. With a clearer sense of purpose and worth, ABC staff and management would derive more personal satisfaction from their pursuits and perform more efficiently.

In the complex and competitive Australian media environment, the worth of public service broadcasting lies essentially in those areas and dimensions to which it can contribute where others generally can't or won't.

Some of these functions, such as being innovative and contributing to culture, education and a sense of national identity, are laid down in the ABC's Charter. So too is the pursuit of professional standards in the gathering and interpretation of news and other programming. However, many of these legislative requirements are necessarily quite general and thus open to a variety of (possibly inconsistent) interpretations in the absence of an appropriate corporate philosophy.

Such guidance is also required if the often new and unique contributions which the ABC can make to enriching the lives of individual Australians, and to their culture, society and economy, are to be fully realised. Central to such endeavours are the values the organisation holds. These will determine, among other things, the responsibilities the ABC accepts towards informing the community and furnishing its ideas and attitudes: a critically important role it is particularly well placed to play as the only independent and truly national broadcaster. A statement of philosophy will help guide the ABC's Board in the important judgements about values and standards which must be made by a broadcasting organisation.
The standing and esteem the ABC has enjoyed over many years derives largely from its contributions to community services. New opportunities are emerging for the ABC to provide further unique and worthwhile services and new needs are emerging in the community for it to do so. Among these are the roles national broadcasting can play in reflecting, and helping the nation to benefit more from, its increasing pluralism. The ABC can also contribute to accommodating the community's desire for greater equity and education and its growing concern to better recognise and assist minority and disadvantaged groups. There is a wide spectrum of valuable services which the ABC can alone pursue simply because it operates nationally and exists to serve the community rather than shareholders or specific groups.

This philosophy is a recognition of the need for the ABC to redefine its role as "part of the Australian broadcasting and television system". The Board is convinced that if such a 'statement of purpose' reflects community aspirations for the ABC, and is effectively implemented, it will ensure that the organisation continues to make a vital contribution to the health and welfare of our democratic society.
Mission Statement

The ABC is Australia's national broadcasting organisation. It is publicly funded, and free from commercial market forces. The ABC's reach across Australia gives the Corporation unique opportunities and responsibilities. Its Charter calls for programs which are innovative, comprehensive, contribute to a sense of national identity, inform, entertain and reflect the cultural diversity of the Australian community. The Charter also requires the ABC to be independent, authoritative, responsible, objective and impartial. Through providing information and a range of quality services the ABC serves Australians as a source of information and entertainment and as a forum for public debate on the questions facing the community. While other broadcasters serve their sectional interests, the ABC serves the nation.

Overview

A philosophy is a statement of purpose from which an organisation derives its goals and objectives. The ABC's philosophy will be interpreted by its Board of Directors for implementation within the organisation.

The ABC was created by Parliament. Its philosophies are derived from its Parliamentary mandate as expressed in legislation, from the broadcasting environment in which it operates, and from the Corporation's Charter responsibilities as the national broadcaster. It must also respect certain community expectations that derive from the traditions of national broadcasting in Australia.
Moreover, the ABC does not exist in a vacuum and cannot arbitrarily create a philosophy. Its existence is shaped by determinants beyond its control and its philosophies must be receptive to the ever-changing social and technological environment in which it functions; they cannot be 'set in stone'. The ABC's philosophy will thus be periodically revised and redefined in the light of public debate.

The Board has already given a broad interpretation of the role of the Corporation through the goals announced in September 1984:

- to extend the range of ideas and experiences available to Australians; and

- to contribute to the development of values within the community and a sense of national purpose and identity.

Australia is a new society, still in the process of formation. We are still imagining ourselves into existence, a process complicated by the fact that each generation sees a new wave of migrants from cultures different from our own. In this situation the national broadcaster has a special obligation to assist in the formation of national identity and to help set the agenda for national discussion. In doing so the ABC should place more emphasis on the diversity of Australians so that the Corporation, like the nation, accepts the influence of Asian and South American cultures as well as the new interest in our national heritage of Aboriginal culture.

Part I of this paper considers the factors determining the role of the ABC - the foundations of its philosophy - and considers two popular but simplistic and misleading formulations of the issues involved. Part II discusses the most central philosophic aspects of national broadcasting in a competitive environment. It concludes with a series of principles for guiding its activities. A summary of the paper then follows.
There are inherent difficulties in defining a corporate philosophy for the ABC— an organisation of manifest complexity. No single statement of purpose could hope to encapsulate all the various levels of philosophy required by such a multi-functional organisation. Nevertheless the context within which the ABC operates requires a philosophy to help ensure consistency in corporate strategies for operational areas. And to do this it must be sufficiently firm to give focus, direction, guidance, confidence and support.
PART I : THE FOUNDATIONS OF A PHILOSOPHY

1. A Definition of National Broadcasting

1.1 The ABC was established as a statutory broadcasting authority because Parliament recognised the nation-building potential of the electronic media and felt the need for a reliable, authoritative and impartial national information service. Parliament also had many other reasons for creating an ABC. Among these was a recognition that commercial broadcasting could not afford to serve isolated rural communities, that national broadcasting could contribute to national cohesion (a sense of national identity), and the hope that it would set high program standards, assist education and be a vehicle for cultural development.

1.2 Many of these reasons remain cogent, while others have diminished in importance in the light of developing technologies and changed and changing community requirements. The 1983 legislation gave the ABC, for the first time, a Charter of responsibilities. To understand the implications of this Charter, and to redefine the continuing but changed role of the ABC, a fresh look at, and publication of its philosophy - which has never previously been articulated in a coherent manner - is required. Many aspects of that philosophy which are not - and often cannot - be established in legislation also need to be articulated if the organisation is to be properly accountable.

1.3 The ABC, as a statutory corporation, must be independent of government, but it cannot be independent of Parliament. It exists to serve the public, and is accountable to the public for its actions through the Parliament. The effective functioning of a democratic society can be greatly assisted by an independent national information service. This is one of the central roles of the ABC, an institution which complements Parliament by helping inform the electorate through its news and information services and by providing a forum for debate about community issues.
1.4 Parliament's expectations of the Corporation are outlined by the ABC's Charter. The ABC must provide innovative and comprehensive radio and television services of a high standard. These services should contribute to a sense of national identity, inform and entertain, and reflect the cultural diversity of the Australian community. The ABC also has special responsibilities in education, and in broadcasting abroad Australian information, news and programs of cultural enrichment. Added to these are certain non-program functions. The ABC must encourage the musical, dramatic and other performing arts in Australia. And it has an explicit duty to maintain its independence and integrity, to broadcast and televise daily sessions of news and information and to ensure that the gathering and presentation by the Corporation of news and information is accurate and impartial according to the recognised standards of objective journalism.

1.5 The responsibility for interpreting this Charter rests with the ABC's Board of Directors. They must achieve all these objectives in an efficient manner for the 'maximum benefit to the people of Australia'. The Board must ensure that the ABC serves the public, a critical difference between it and commercial broadcasters which operate in the service of their shareholders. Except for ministerial directives issued in the national interest, the Corporation is not subject to direction from, or on behalf of, the Government. The Corporation must make its own decisions and account for these to Parliament.

1.6 National broadcasting traditions and conventions, established through 50 years of practice, contributed significantly to the legal responsibilities embodied in the ABC Charter. Many of these traditions began with the BBC and were imported to Australia when the ABC was established in 1932. In Britain the activities of the national broadcaster, like the arts and science, were at that time seen as justified for their own sake. Having a vigorous national broadcaster was part of being a civilised community. When the Australian Parliament
adopted the BBC model it understood public service broadcasting to have two primary attributes:

- a commitment to creating a well-informed public by broadcasting accurate, wide-ranging, non-partisan information. To ensure the continuing objectivity of its programs the organisation must remain independent of the government of the day but accountable to Parliament for its actions;

- a commitment to acknowledged standards of excellence — in content, in scope and in technique. The public service broadcaster should offer the public a chance to experience the best the nation's culture has to offer. In Lord Reith's formulation, the organisation should not aim for popularity for its own sake, but should offer programs which educate, enlighten and entertain.

1.7 The BBC was able to develop its distinctive brand of national broadcasting without competition from other broadcasters. The ABC was originally expected to provide the same sort of services as the BBC, even though the ABC (unlike its British inspiration) has always operated in a competitive broadcasting system and faced unique problems of geographical dispersion. Though the ABC might never have enjoyed the same primacy and clarity of role as the centralised BBC monopoly, it nevertheless adapted to local conditions and began a proud record of achievement. It has grown from under the shadow of the BBC and developed its own priorities and identity.

2. The ABC's Role Determinants

2.1 ABC legislation states that the organisation exists to serve all Australians. It does not exist solely — as its competitors and audience sometimes insist — to serve only minorities or special interest groups at the expense of the wider community.
2.2 Since 1932, legislation has required the organisation to provide 'comprehensive services, within the wider framework of the overall Australian broadcasting system. This requirement for a comprehensive service means that the ABC must be more than a news and information service; the organisation must also undertake a wide range of cultural, entertainment and educational functions.

2.3 It is, however, not possible, with the financial restrictions inevitably imposed on a public instrumentality with a limited number of outlets, to serve simultaneously a large and diverse audience collectively possessing a broad range of interests. Priorities have to be determined. And it is these priorities (and the content of the programs that result) for which the Board of Directors is responsible and accountable. That accountability in turn requires the establishment of appropriate philosophies from which operating principles can be derived. But the determination of these philosophies and principles involves the ABC Board of Directors in making certain value judgements. They must decide which ABC services will best meet the needs and aspirations of Australians.

2.4 Making such value judgements may seem inconsistent with the proper role of a public instrumentality working in a democracy. However, given the need to provide the best possible service with limited resources the Board must make decisions on behalf of the community. Some value judgements cannot be avoided; and the Board has an obligation to articulate its philosophy so that these judgements are explicit and consistent. In the absence of a corporate philosophy, individual judgements will prevail.

2.5 There are a number of too easy answers often advanced to explain the 'proper' role of the ABC. Though superficially attractive, these assertions do not stand up to close inspection. Debates about the ABC often focus, for example, on whether the organisation should complement or compete with other broadcasters including particularly the major commercials. In
the context involved this is a largely meaningless proposition. While the ABC exists it cannot help competing for audiences. Whatever the nature of its programs it will be 'competing' with other broadcasters so long as it attracts some who would be viewing or listening in its absence.

2.6 Nor can the ABC be entirely complementary in program terms. Its legislation strongly implies a complementary role because it must operate "as part of the Australian broadcasting and television system", provide specialist services in such areas as education, news and the performing arts, "take account of the services" of other broadcasters and be innovative. However, the ABC is at the same time enjoined to provide "comprehensive...services"; a requirement carried over from the BBC's charter that also appears in the legislation controlling commercial broadcasters.

2.7 In practical terms it is also often a moot point as to whether a particular program is, or is not, complementary to others because the differences between programs can exist in a variety of dimensions and their significance is frequently a matter of personal values and judgement. Moreover, though the rationale of national broadcasting must rest mainly on the uniqueness of its services - there being little justification for public expenditure that merely duplicates the commercial and public sectors - the worth of the ABC's contributions will often lie in the quality of its programs rather than in the extent to which they differ in content from those of others. While striving to be usefully different from other broadcasting services the ABC cannot let them define the limits of its activities.

2.8 Somewhat similar considerations apply with endeavours to determine the role of the ABC in terms of whether or not it should 'chase ratings'. Commercial broadcasters measure their 'success' (and profit potential) mainly by the ratings they achieve: usually the share of the audience they attract. Public awareness of this simple quantitative criterion, coupled
with the difficulties of measuring and understanding the worth of programs in qualitative terms, can raise 'ratings chasing' as a possible role for the ABC even though national broadcasting exists to serve different ends.

2.9 Alternatively, because the ABC is required (and expected) to pursue quality, provide specialist services and programs, and operate as part of the Australian broadcasting system by taking account of the activities of others, its role may be seen as one in which ratings are of little relevance. Role casting in terms of such alternatives is, however, also meaningless and misleading.

2.10 While the ABC's services must differ in important respects from those of commercial and most other broadcasters if it is to justify taxpayers' support, it cannot ignore audience responses. Apart from the futility of broadcasting to few, if any, people, one of its central purposes is to increase the range of ideas, interests and experience available to the whole community. This pluralism of experience is essential to the working of a healthy democracy, and reflects the important mandate given to the ABC by Parliament. Taken in total, ABC services must therefore have the potential to interest and attract all listeners and viewers at least some of the time. The 1981 ANOP survey which showed that 93% of Australians use the ABC at some stage each week indicates the ABC's capacity to realise this potential.

2.11 This measure of audience response - known usually as 'reach' rather than 'share' - is thus relevant to an important aspect of the organisation's activities. Audience share can also be a useful indicator of viewers' and listeners' reactions to some programs such as those designed for large "target audiences". As the logic of national broadcasting implies, ratings must not become ends in themselves as they are in the commercial sector.
Among other things, if the ABC is to be different and innovative and take creative risks it cannot be guided by the 'snapshots of the past' which ratings provide. Nor can it be afraid of sometimes serving special interests or, equally, of producing programs which, while are consistent with its central purposes, attract large audiences because of their intrinsic worth. ABC programmers must see ratings as merely measures of one aspect of their activities and never as goals.
3. Information, Analysis and Community Values

3.1 The Corporation has a mandate to convey information and reasoned analysis (commentary, debate, etc) to help Australians understand themselves, their country, society and economy and the world. These functions were an important reason for originally establishing a national broadcasting system and their inclusion in the ABC's 1983 Act manifests Parliament's belief in their continuing importance.

3.2 The ABC is also required to ensure that the "gathering and presentation of news and information is accurate and impartial according to the recognised standards of objective journalism". This requirement echoes concerns that in providing information and analysis the ABC should reflect, identify and discuss prevailing community values - so enabling the Corporation to observe "recognised standards of objective journalism". The mandate to provide information and analysis and these concerns thus evidence parallel, but possibly conflicting, considerations: the importance for a democracy of broadcasting but also the potential (persuasive) dangers of this powerful medium.

3.3 Though satellites and other technologies are multiplying the sources of information and analysis available to Australians, the ABC remains the sole national source which has an unambiguous commitment to serving the community as a whole. Moreover, the growth and increasing complexity and pluralism of the Australian community, and of its economy and society, enhance the importance - as well as the complexity - of these traditional ABC activities. The importance of this responsibility has been re-endorsed in the priority the Board has recently accorded TV news.
3.4 Similarly, the Board's parallel responsibilities—those associated with values and standards in providing information and analysis—have also grown. For example, public access to a wider range of news and information has increased the need for a service whose impartiality and accuracy enjoys community respect and can thus provide something of a benchmark against which other sources are assessed. But here, too, complexities and uncertainties have grown. The values prevailing in the community are now less certain and more volatile because of its increasing pluralism and the changing nature of its socio-economic activities. The public articulation of a philosophy for the ABC is a recognition by the Board of the need for greater accountability in these dimensions.

3.5 Associated with the values and standards obtaining in the provision of news, information and analysis are those involved in programming more generally. Most entertainment programs, including particularly drama, comedy and satire, reflect the values and standards of their authors and producers and can influence community values. Similar considerations apply in the selection and presentation of most cultural activities including music. Even the broadcasting of sport can be far from value free. The values and standards the ABC reflects and the principles it applies in dealing with these issues in virtually all its activities are thus of central significance.

4. Values

4.1 Broadcasting is now one of the most potent of all influences in developed societies. No substantial broadcast- ing organisation can escape influencing social values and standards. Even the necessity to make programming choices involves focusing more on some issues and events than others. Two dimensions are of particular significance: the role of broadcasting in fostering our awareness of values and its role in
their formulation (as new issues arise), and their reassessment as ideas and attitudes change.

4.2 While the ABC has doubtless played a nationally important value-awareness role - as is apparent, for example, in making rural and isolated community activities and attitudes better known in the cities - it has not specifically acknowledged this as one of its major public service functions: it has not seen its role, in providing a focus for community discussion, as a central part of its philosophy and raison d'être. Nor has the ABC fully pursued the unique contribution it could make to the community's value-sharing needs.

4.5 In any society there is a need for people to understand the reasons for their own views and the reasons other values prevail elsewhere. Australia is no exception. Its people could benefit significantly from greater understanding of the ethnic, social, political and other differences within their increasingly pluralistic society. With more understanding and sharing of the different values which such pluralism provides, the nation would benefit. In the absence of such understanding and sharing, cultural and other divisions are likely to strengthen and prove divisive, with the nation perhaps suffering from its pluralism as happens in so many countries. As the national broadcaster the ABC has important responsibilities for, and opportunities to, serve Australians in these human dimensions. A national broadcaster can reflect the reality that Australia has large numbers of migrants and a significant minority of Aboriginals whose cultures demand understanding and respect. The ABC can strengthen our democratic values of open-mindedness and tolerance by explaining and protecting diversity even as it fosters basic unity.

4.6 Interacting with these considerations is the need for an effective mechanism by which existing values can be reassessed and others developed as new and different issues arise. What is evolving to replace traditional sources of reassessment and
formulation is a process in which values are challenged, changed and developed through public discussion and debate. Community values are no longer being determined and endowed with authority by ecclesiastical or secular hierarchies, but instead are increasingly seen as an end in themselves.

4.7 For public discussion and debate to be a reasonably effective mechanism, the process needs to be well informed and to proceed in forums that inspire confidence and have access to the national community. Again the ABC is well placed to provide such community services and, to some extent, has traditionally played a role in this process. The Corporation recognises, however, that there should now be a more specific commitment to these responsibilities. No other institution has either the opportunities or capacity to fully and fearlessly concern itself with such human and national issues. Indeed, it may be argued that this role now constitutes one of the ABC's major public service functions and that the need for such a function enhances the importance of public service broadcasting.

4.8 Inevitably, and often perhaps unconsciously, the ABC's editorial and programming decisions will reflect the prevailing basic ethical and constitutional beliefs on which the nation's life is founded. The ABC would not feel obliged, for example, to appear neutral as between truth and untruth, freedom and slavery, justice and injustice, or tolerance and intolerance. But within these boundaries - which are themselves always open for discussion - the ABC must strive for accuracy and impartiality.

4.9 Impartiality is necessarily relative rather than absolute and the realisation of objectivity more often than not a matter of subjective judgements that may in themselves not be objective. But the ABC, as the national broadcaster, has a particular responsibility to strive for the fairest and most balanced coverage possible.
4.10. Perhaps more importantly, the ABC must not seek to impose its, or any particular, values on the community, but should allow the public to turn a spotlight on itself. This has been recognised by the Board in its corporate goal of contributing to the 'development of values' in the community and in its editorial guidelines and ethics. This can, however, be a difficult and lonely task. When subjects that have been conventionally taboo, or embarrass powerful interests, are canvassed, considerable antipathy to the organisation often results. Damage to the ABC could perhaps be reduced if the organisation's commitment to helping discussion about community values is generally understood and, hopefully, accepted by the community.

5. Establishing Programming Principles

5.1 The editorial guidelines already adopted, and published, by the Board recognise the need for the ABC's news and information activities to be impartial and independent. They also reflect the constraints associated with the intended purpose of the organisation, and the values prevailing in the community.

5.2 There is, however, a further responsibility: the ABC should openly state the principles it establishes for selecting and dealing with all programs and issues involving values or controversy. These principles need similarly to be articulated and published to expose them to comment and criticism. This will not only influence their character, but facilitate subsequent changes in them should they not prove defensible. Such publication will also enhance the ABC's accountability and, hopefully, community support for the activities of national broadcasting. In establishing its editorial and programming codes the Board has consulted with management, staff and the ABC's Advisory Committees.
5.3 While a national broadcaster determines what issues are canvassed - and thus makes some value judgements at this level - it should, as it is required to do for news and information, not insinuate its, or any particular, values in the canvassing process. For example, while making the decisions necessary in 'contributing to a sense of national purpose', the ABC should make no judgements about the values that should emerge.

5.4 This should not mean, however, simply an endorsement of status quo concerns. The Corporation is required to be innovative and to conform to recognised standards of excellence in the provision of information. The ABC must, in short, be a pace-setter in community discussion - not attempting to change community views and values but ensuring that Australians have an opportunity to be as well-informed and questioning about upcoming issues as about contemporary interests.

5.5 The ABC also cannot simply report; its legislation clearly implies that it should report in the best traditions of investigative journalism. The ABC has made major contributions through its investigative journalism; other organisations might occasionally undertake difficult and potentially unpopular reporting, but none has pursued this function with the skill and consistency of the ABC. A free press is essential to a democratic society; only the ABC has the independence from sectional interests systematically to pursue issues of public concern through innovative and reliable journalism.

6. Standards

6.1 Considerations applying to values apply also to many 'standards'. Although this term is often a synonym for values, two broad types of standards may be usefully distinguished - 'ethical' standards, those which reflect 'matters of taste' or codes of behaviour, and standards which relate almost entirely to 'professionalism': areas such as script writing, production and presentation. Between the two are standards with both
professional and ethical elements, such as questions of language, pronunciation and syntax.

6.2 The Act provides that the ABC shall provide 'services of a high standard', whether the concerns are ethical or professional. This the ABC endeavours to do, though with the necessary qualification that terms such as 'high standard' are largely subjective.

6.3 There is, moreover, an expectation that national broadcasters such as the ABC have a community responsibility to act as professional standard setters. Because the organisation is not subject to market forces, it faces few constraints in pursuing high standards. The organisation can, for example, set new professional standards in the quality of its news coverage and analysis which induce others to follow, thereby influencing broadcast news and analysis standards throughout the nation. At all times, and through its various functions, the ABC must seek to achieve the highest possible standards.

6.4 In areas where standards also involve some questions of ethics and/or taste—as in what constitutes 'good English'—the Board must establish standards for the organisation. There are no rules in grammar or pronunciation, engraved in stone like the Ten Commandments, only practices more or less accepted socially. Given the ABC's responsibility to reflect and aid the reassessment of community standards, rather than determine and direct them, the ABC's decisions in language questions must reflect community ideas and be an on-going process with the results open to public scrutiny.

6.5 In the case of 'ethical' standards another dimension of responsibility is evident. Because of its impact and pervasiveness, broadcasting, over time, significantly influences the ethical standards of the general community. In this process a national broadcaster has a particular responsibility. That the standards of taste and propriety
which people will accept in broadcasting can alter significantly, has been amply evident in recent decades. It is also evident that these changes can influence standards and values (and attitudes and behaviour) in other areas.

6.6 Here again the ABC should not be the community's conscience. But it should accept specific responsibilities similar to those associated with other community values - to act as a source of information and a forum for discussion. Australians would then have more opportunity to recognise and influence the direction, nature and extent of changes in its 'ethical' standards.

6.7 The ABC accepts that it has several important roles and responsibilities in the formulation and testing of national values and standards. On the one hand it is committed to fostering awareness and understanding of the various values which prevail in Australia and the world. On the other, it must act as an effective forum for Australians to question, reassess and if necessary change their existing values and standards. It must also help in discussions about new values and standards as fresh issues impinge on their society. Most importantly, however, when acting as such a forum the ABC must aim for objectivity, impartiality and balance.

7. General Principles

7.1 Of necessity this paper deals only with the most general and central of the philosophic issues facing the ABC. A wide range of matters remains to be canvassed, particularly in areas with operational policy implications. Examples include the extent to which the organisation should, and can, centralise or decentralise its activities, allocate its resources between radio and television and between the many different types of programs necessary to provide services that are consistent with its responsibilities to serve the community. The Board also acknowledges the need to seek further views and comments - from
within and without the organisation - on this paper and that periodic reviews will be necessary if its philosophies are to remain relevant and appropriate.

7.2 The present paper indicates, however, certain underlying parameters and principles determining the philosophies of the organisation:

- as a publicly funded institution the ABC exists to serve the community. As there is no clear definition in the ABC Act of how this is to be best achieved, such decisions become the responsibility of the Directors of the ABC - hence the need for statements of philosophy.

- decisions about allocation of limited resources require the Board to make some significant value judgements about the welfare and aspirations of Australians. Better to have such judgements explicit and open to scrutiny through a published philosophy than have administrative and other programming choices made unrecognised, undisputed and unchallenged within the organisation;

- the ABC's Charter requires it to operate as part of the national broadcasting system and thus avoid needless duplication of commercial and other services. It is also required to provide innovative programs, establish high professional standards and undertake a number of specialist services: to be an effective alternative to most other broadcasters. However, the organisation's need to serve all Australians in a comprehensive manner precludes it adopting a purely complementary role. Nor can the ABC allow its activities to be limited or dictated by the interests of other broadcasters;
market forces as expressed through conventional ratings are not an acceptable guide for the ABC in making programming decisions, allocating resources or measuring success. Though ratings can be useful indicators of certain aspects of its programming activities they are no more than this and must never be treated as goals or ends in themselves;

as a major forum for cultivating awareness, and the discussion and development, of community values, the ABC must act as a genuinely pluralist organisation. Within the boundaries of programs which are as impartial, balanced and objective as possible it should provide the information required for informed community debate. And as the instrument of a secular state it must not insinuate its, or any other particular, values and standards. People interviewed by the ABC can have opinions, but the ABC cannot. Though it must make some value judgements in choosing and scheduling programs and topics its judgements must not intrude further. It must be a disinterested and impartial forum;

as an information service, the ABC must undertake probing, investigative journalism. Though such reporting may sometimes make the Corporation unpopular, the ABC cannot avoid the obligation for innovative journalism implicit in its Charter. A democracy needs an independent and reliable information source such as the ABC to ensure that the community has access to information that is as far as possible free from the bias of sectional interests.
Establishing an ABC Philosophy: Summary

Introduction

The ABC needs a clear statement of purpose to explain the Corporation's worth to the community and to give the ABC coherent goals and objectives.

This paper examines the context, legislation, traditions and changing role of the ABC. It explores the unique services national broadcasting can provide, and the responsibilities inherent in its mandate from Parliament. The difficulties, but necessity, of setting values and standards for the organisation are canvassed.

From this analysis, principles are derived which set out the purpose and aims of the Corporation.

Part I: Foundations of a Philosophy

Parliament created the ABC because it needed an impartial, independent and authoritative broadcasting service which could inform, entertain and contribute to national cohesion. Other objectives set for the ABC included servicing isolated communities, setting high program standards, assisting education and providing a vehicle for cultural development. These continuing responsibilities are reflected in the Charter included in the ABC legislation (1.1).

Legislation requires the organisation to provide an innovative and comprehensive multi-media service for all Australians (2.1). Though the ABC must pursue these responsibilities as 'part of the Australian broadcasting and television service' it has to operate with limited resources and outlets. The Board must make difficult decisions about which ABC services will best meet the needs and aspirations of the nation (2.3). To help guide it in these pursuits the Board has already adopted the goals of extending the range of ideas and experiences available to Australians, and contributing to the development of values within the community and a sense of national purpose and identity.
Though its prime role, and worth to the community, must lie in serving those areas and dimensions of community need which others can't or won't, its responsibility is to the total community. In discharging these responsibilities it must thus produce both popular and specialist programs. It will measure its success by the ability of its combined services to interest and attract all listeners and viewers at least some of the time (2.8).

Part II: Roles and Principles

The Corporation has a statutory responsibility to gather and broadcast news and analysis. The ABC is the only national and truly independent broadcaster, to which Australians can turn for information about themselves and the world (3.1). Hence the Corporation has a special responsibility to ensure that the information it presents is as comprehensive, accurate and impartial as possible according to the recognised standards of objective journalism (3.2).

Broadcasting - in all its dimensions - is a potent influence on community values (4.1). The ABC thus has an important role in helping Australians understand their attitudes and diversity. By providing an impartial and independent forum, the ABC helps the community evaluate, change and formulate its values. The Corporation must also act as a focus for community discussion (4.2).

While making the decisions necessary to contribute to a sense of national purpose, the ABC makes no judgements about the values that should emerge. Though editorial or programming decisions are inevitably influenced by prevailing ethical and constitutional beliefs, the ABC must strive for the fairest and most balanced coverage possible (4.9).
The legislative requirement that the ABC be 'innovative' requires it to be a pace-setter in production standards and in raising new issues. The Corporation thus seeks to keep Australians as well informed as possible about upcoming issues as about contemporary interests (6.2).

ABC services are required to be of a high standard (6.2). This requires the Board to make some judgements about standards of taste and propriety. Such decisions should be explicit, must reflect community views and should be open to continuous public scrutiny (6.4). The aim is not to make the ABC the community's conscience, but to contribute to the means by which Australians have an opportunity to recognise and influence the direction, nature and extent of changes in their ethical and other standards (6.5).

**General Principles**

From these considerations certain general principles about the role of the ABC can be derived.

- As a publicly funded institution the ABC exists to serve the community. As there is no clear definition in the ABC Act of how this is to be best achieved, such decisions become the responsibility of the Directors of the ABC - hence the need for statements of philosophy.

- Decisions about allocation of limited resources require the Board to make some significant value judgements about the welfare and aspirations of Australians. Better to have such judgements explicit and open to scrutiny through a published philosophy than have administrative and other programming choices made unrecognised, undisputed and unchallenged within the organisation.
The ABC's Charter requires it to operate as part of the national broadcasting system and thus avoid needless duplication of commercial and other services. It is also required to provide innovative programs, establish high professional standards and undertake a number of specialist services: to be an effective alternative to most other broadcasters. However, the organisation's need to serve all Australians in a comprehensive manner precludes it adopting a purely complementary role. Nor can the ABC allow its activities to be limited or dictated by the interests of other broadcasters.

Market forces as expressed through conventional ratings are not an acceptable guide for the ABC in making programming decisions, allocating resources or measuring success. Though ratings can be useful indicators of certain aspects of its programming activities they are no more than this and must never be treated as goals or ends in themselves.

As a major forum for cultivating awareness, and the discussion and development, of community values, the ABC must act as a genuinely pluralist organisation. Within the boundaries of programs which are as impartial, balanced and objective as possible it should provide the information required for informed community debate. And as the instrument of a secular state it must not insinuate its, or any other particular, values and standards. People interviewed by the ABC can have opinions, but the ABC cannot. Though it must make some value judgements in choosing and scheduling programs and topics its judgements must not intrude further. It must be a disinterested and impartial forum.
As an information service, the ABC must undertake probing, investigative journalism. Though such reporting may sometimes make the Corporation unpopular, the ABC cannot avoid the obligation for innovative journalism implicit in its Charter. A democracy needs an independent and reliable information source such as the ABC to ensure that the community has access to information that is as far as possible free from the bias of sectional interests.

These principles, and the philosophy from which they are derived, must continue to evolve as the ABC and the community it serves change. Their establishment, however, is essential to help the ABC realise its potential in its critically important role of informing and enriching Australian democracy.