

# WHOSE ABC?

## THE ABC, STAFF CAPTURE AND THE OBSTACLES TO ACCOUNTABILITY

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As this IPA Backgrounder shows, the ABC provides a case study of the problems of public ownership. Despite the ABC's PR campaign that it is 'Your ABC', the ABC is a staff-captured organization. This staff capture is reflected in its coverage of issues. The ABC does not fulfil the role of being a national broadcaster reflecting the range of opinion among the citizens who fund it and, through their agent the Commonwealth Government, notionally own it. Rather, the ABC is a sectional broadcaster with national reach: at times, not much more than the propaganda arm for the public-sector middle class. One funded by wealth transfers from non-users (most Australians) to users (a self-selected group with above-average incomes).

The staff capture of the ABC results from the processes of accountability applying to the ABC being, in practice, completely inadequate.

The standard way to deal with staff capture within the public sector is privatization. There is an issue of catering for specialty markets not likely to be fulfilled given the statutory restrictions on entry to the TV and radio industry. This could be dealt with either by removing those restrictions or by putting out to periodic tender production for those markets: either way, a public-sector broadcaster is not required.

If the ABC is retained in public hands, a range of measures is identified which should be undertaken to improve accountability and reduce the extent and ill-effects of staff capture.

## INTRODUCTION

Any TV viewer of the Australian Broadcasting Corporation (ABC) is constantly assured that it is 'Your ABC'. Is this true? Is this apparent claim of general public ownership real, or a convenient rationalization?

The ABC is a government-owned body—a Commonwealth authority established by statute—largely funded by the taxpayer (to the tune of \$632 million in the latest Commonwealth budget).<sup>1</sup> Bundled together in the one body are a metropolitan and regional TV network, Radio National, ABC Classic FM, ABC NewsRadio, local metropolitan and regional radio stations, a successful youth-music national radio network (Triple J), ABC Online, Radio

Australia, ABC shops and Symphony Australia. The ABC is Australia's leading producer of documentaries, drama, and children's and education programmes. It has an annual average radio audience of 6.5 million, and trans-

mits almost 800 hours of TV current affairs and over 500 hours of TV news a year. The ABC employs over 4,000 staff, more than 50 per cent of whom work in New South Wales.<sup>2</sup>

The ABC is formally accountable to the Commonwealth Parliament, and to the taxpayers who fund it, via a Board whose members are appointed by the government of the day for fixed terms. (A long-serving government therefore gets to appoint a Board to its liking.) The Board—whose statutory duties are set out in Appendix I<sup>3</sup>—reports to the Minister responsible for the ABC, and appoints the Managing Director. The Corporation is also subject to parliamentary oversight, notably through Senate committees, particularly the Estimates process.

The Australian Broadcasting Authority (ABA) has some limited responsibilities regarding complaints about the ABC and there is also a complaints body appointed by the ABC itself.

While the formal mechanisms exist which theoretically make the ABC a fully accountable body, in practice the ABC is a prime example of the fundamental problems of government ownership, prob-

lems which are exacerbated by its role as a major media organization.

## GOVERNMENT OWNERSHIP: THE PROBLEM OF UNOWNED CAPITAL<sup>4</sup>

It is normal to talk of government ownership as being 'public' ownership. In fact, government-owned bodies are 'owned by the public' only in a notional sense—government (the legal owner) is taken to be the agent of the public. The problem with government ownership is that it is largely a façade of ownership without the substance.

Ownership of the ABC by its notional owners—the general public through their agent the Commonwealth Government—is highly attenuated. Individual members of the public expended no personal wealth specifically to become 'owners' via the agency of the Commonwealth. They gain no direct personal benefit (such as increased personal wealth) from any increase in value of the organization. Conversely, they suffer no personal loss if the organization loses value. They therefore have no personal incentive to follow, either directly or through agents specifically responsible to them, the fortunes of the organization. It is 'ownership' without any personal gain, risk or effort.<sup>5</sup>

Further, even if they are motivated to follow the fortunes of the organization, they cannot directly vote to appoint the Board of Directors. They cannot choose to increase or decrease their personal holding in the organization—either as a vote of confidence or of a lack of confidence in its management. They may or may not have voted for their agent, the elected government. Even if they did, their vote represents a bundling together of a huge range of choices once every two or three years about promises which may or may not eventuate. Any connection between the voting process and the management or performance of a specific organization is tenuous in the extreme.

Nor is management of the ABC contestable as it is for private companies listed on the Stock Exchange. There is no 'market for managerial control'

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## PUBLIC OWNERSHIP OPERATES TO INSULATE THE ABC FROM THE PRESSURES TO PERFORM THAT OPERATE ON PRIVATE COMPANIES

for the ABC. The breadth of responsibilities of government is also enormous, further weakening its capacity to be effective agents for the notional owners. Government ownership also provides an implicit guarantee against bankruptcy or catastrophic loss of income. While the ABC is government-guaranteed and -subsidized, there are significant barriers to another media player seriously attempting to contest its particular market niche. Far from increasing accountability, public ownership operates to insulate the ABC from the pressures to perform that operate on private companies.

Privately-owned companies, unlike government-owned ones, have real owners, people whose wealth is at stake and so have, either directly or through

agents with specific legal responsibilities to them, the incentive and capacity to track the performance of the organization. They also have effective means of responding to performance—by in-

creasing their personal stake or exiting altogether, or by electing the Board of Directors. Management of the organization is contestable. The market positions of private firms are (usually) not privileged by government action.

This is not to say there is not waste, fraud and failure in the private sector—of course there is. The mechanisms for weeding it out in the private sector are, however, stronger and more effective in their operation. It is these differences between the mask of public ownership and the real title of private ownership, which generate most of the benefits of privatization for efficiency of resource use.<sup>6</sup>

There are also areas of the private sector where issues of staff capture are very real—mutual bodies and co-operatives most notably. One of the benefits of demutualization is to enforce the disciplines of real ownership on bodies such as AMP, Colonial, National Mutual and so on.

Government ownership also generates a clear conflict of interest because the same body—the government—is responsible both for the general regulation of the industry and for the performance of a major player within it. For the government to suggest that the performance of an organization it controls is sub-standard is, implicitly or explicitly, to criticize its own performance as the agent of the notional owners. The longer a particular government

is in power, the more of an implicit or explicit criticism of its own managerial performance any criticism of the government-owned organization is.<sup>7</sup>

These conflict-of-interest problems are exacerbated in the case of a major media organization. Political parties and members of Parliament are major players in the media game. It is very easy to accuse any government that seeks to impose more effective management and quality control on the ABC as interfering with the ABC's 'independence'. But that same government is the only effective

agent for the notional owners and is the legal owner itself. 'Independence' from government interference thus comes to mean effective independence from whatever tenuous public controls over the ABC exist in practice—it amounts to independence from the direct legal owner. (Any tendency within the wider media to be hesitant about outside scrutiny of fellow journalists further shields the ABC.)

Real ownership is having a title to something that cannot be defeated by any other claim. 'Public' ownership of the ABC is so notional, it is the *least* functional of the claims on the ABC. It is only a pretence of ownership without the substance.

## 'INDEPENDENCE' FROM GOVERNMENT INTERFERENCE COMES TO MEAN EFFECTIVE INDEPENDENCE FROM WHATEVER TENUOUS PUBLIC CONTROLS OVER THE ABC EXIST IN PRACTICE

## WHO BENEFITS?

If a publicly-owned body lacks effective owners, if the notional ownership of the general public is, in reality, a largely empty formality, who gains the benefits which normally accrue to genuine owners? Who benefits from the attenuated level of accountability and oversight?

In government-owned bodies, it is usually the staff of the organization. That a typical consequence of privatization is major labour shedding is a prime indicator of public-sector employee rent-seeking. Not only does it indicate that having real owners means that the same or more output can be produced with fewer resources—that is, that real own-

ership is more efficient than the façade-ownership of government ownership—it also indicates where the ‘rents’ from the lack of effective ownership were largely going to—the staff of the organization.

Other beneficiaries can be those who use the service or sell services to the organization and, in certain circumstances, the consumers of the services. With respect to the former, if the ABC systematically tends to favour particular viewpoints and interest groups, then those groups will have an interest in preserving the *status quo* and can be relied upon

to leap publicly to the defence of the organization. The ABC dispenses considerable patronage—particularly in access to the airwaves but also in employment and in potential book sales. This provides further motives for public defence of the ABC and to

## THE ABC'S ... CENTRAL ROLE IN THE MEDIA AND THE 'CULTURAL MARKET' MAKES MANY REGULAR PARTICIPANTS VERY WARY OF PUBLICLY CRITICIZING IT

blunt (public) criticism of it—its central role in the media and the ‘cultural market’ makes many regular participants very wary of publicly criticizing it. As in most things political, concentrated interests where individuals have much at stake tend to prevail over larger, dispersed interests where each individual has less at stake.

The ABC counts on an audience which is attracted to the ABC’s role as purveyor of British productions (8 out of the ABC’s top 10 rating TV shows are British, 60 per cent of its top 100 TV programmes are produced overseas) and to its more in-depth and comprehensive coverage of issues than is generally the case on commercial TV and radio. That its advertisements, although of low quality, are few and congenially arranged between, rather than within, programmes is another attractive feature. There are sufficient reasons for the ABC having a loyal audience but little evidence that real accountability to the average Australian taxpayer is one of them.

Spending taxpayers’ funds on the ABC is also regressive. According to survey findings from the Roy Morgan Research Centre, ABC viewers’ incomes average 20-25 per cent more than those of the commercial channels. Needless to say, this higher income audience would also be very attractive to any potential private owners of the ABC. Conversely, it is not clear why lower-income families who gener-

ally prefer commercial TV should be taxed to provide preferred viewing for the high-income Australians who disproportionately watch the ABC. High-income Australians, however, also tend to be articulate and well organized, with access to decision-makers, and so are particularly able to defend their taxpayer-funded benefits. More generally, public funding of the ABC is a subsidy from non-users (most of Australia) to users (a group with above-average incomes) which is inequitable and unnecessary in a generally successful pluralistic democracy.

But the principal benefits of the façade-nature of the ABC’s ‘public’ ownership—which, as indicated, is particularly attenuated precisely because the ABC is a major media voice—accrue to the staff of the ABC.

This was memorably expressed by an acute practitioner and observer of power, Graham Richardson, when he wrote:

Neither political party has any hope whatsoever of correcting any perceived lack of objectivity at the ABC. This is because the ABC is run basically as a workers’ co-operative ... [ABC Managing Director] Brian Johns ... has Buckley’s chance of influencing the content of ABC news and current affairs. The troops at the ABC won’t cop it and decades of the troops ruling the roost on these matters make it highly unlikely that there will ever be change.<sup>8</sup>

The foregoing analysis of the problems inherent in the ‘indirect’ method of public ownership indicates why this is so.<sup>9</sup>

## EXPRESSING STAFF CAPTURE

How is this staff capture expressed? In the normal ways—greater security of tenure than is normal elsewhere in the industry, higher staffing levels than is the case in private-sector alternatives, placement of major facilities to reflect overall preferences of staff, and so on. In the words of former Finance Minister Peter Walsh, ‘despite self-serving claims to the contrary, the ABC has a long record of operational inefficiency’.<sup>10</sup> That is, of economic ‘rents’ (not merely in terms of dollars) accruing to ABC staff.

But the ABC is also a media organization; one deeply involved in the carriage of public policy debates. This provides a further way in which staff capture can be expressed—through its operations reflecting (and displaying) the values, prejudices and perspectives of ABC staff. If the ABC is staffed by

people with a wide range of views and backgrounds, this will be less of a problem. The national broadcaster will then tend to reflect the diversity of national opinion, as is appropriate.

If, however, the staff have only a narrow range of values and perspectives, and recruit in their own image, then the ABC will reflect that narrowness. It will not be a national broadcaster, but a sectional broadcaster with national reach. Given its highly privileged role in public debate, that will mean that

many people with a deep interest in public affairs will come to feel, to a greater or lesser extent, unrepresented by the alleged national broadcaster. If that is the case, one can expect criticism of the ABC to build up over time, to express regret at that

lack of representation. As, of course, it has: taking the forms, for instance, of accusations of narrowness, of bias and of being too Sydney-focused. Criticism is inevitable wherever the reality of staff capture clashes with the expectations of members of the wider public about the performance of an organization with pretensions to being the national broadcaster.

The perspectives of ABC staff have been memorably expressed by an ABC insider and long-term media player, Radio National broadcaster Phillip Adams:

let's concede that the ABC is leftwing and biased. Let's be honest about this, Radio National's a seething hotbed of political correctness.<sup>11</sup>

When Professor Henningham asked a randomly-selected sample of 173 journalists to rate media outlets as pro-Labor or pro-Liberal, journalists on average rated as most pro-Labor the *7.30 Report*, *ABC News*, *Four Corners* and *SBS News* in that order.<sup>12</sup> All the public-sector media outlets ranked were, on average, rated by journalists as more pro-Labor than any of the commercial media.

Former ABC broadcaster Doug Aiton has expressed this in more detail:

**The ABC should take a few steps to the right**

THERE seems to be some sort of argument going on at the moment as to whether the ABC might be a teensy weensy bit biased towards Labor.

I can never quite believe that people seriously pose this as a possibility. Of course, the ABC is biased towards Labor. In my 10 years at 3LO, it was always a special event to meet a politically conservative ABC employee.

This is possibly not quite as serious as it sounds, because if a broadcaster is professional, then objectivity will easily sweep aside 'bias'. After all, we don't expect broadcasters to be political neuters; they wouldn't be very good broadcasters if they were. So given that all broadcasters have their own political views, the trick is to put them aside while on air and be objective. That's not a problem.

The problem is perception. If ABC radio is perceived to be full of left-wing broadcasters (which I believe it is), then left-wing bias on air will be perceived, too. And, of course, there are those occasions when it is not only perceived but actually happens.

My solution is an injection of politically conservative broadcasters. Not to push their barrow on air but to give the ABC a more balanced feel.

I have always counted myself as a simple small 'l' liberal, perhaps left of centre on social issues. But within that building at Southbank, I was often seen as an arch-conservative who somehow slipped in unnoticed through the back door.

There is a definite left-wing mentality in that building, which had been in the ABC long before my arrival. Liberal governments, it is assumed, are the natural enemy. I have never been able to work out why successive managements have not rectified this dangerous, vulnerable situation simply by putting some upfront conservatives on the airwaves.<sup>13</sup>

A good question, which can be answered by exploring the full implications of staff capture.<sup>14</sup>

## THE SOCIAL ROLE OF 'POLITICAL CORRECTNESS'

It is not the contention of this paper that the ABC is *deliberately* biased in its coverage (though the internal protections against such bias are likely to be weak). Rather, it contends that ABC staff live in a very narrow, and self-reinforcing, intellectual universe and that the staff capture of the organization allows this narrowness to be manifested at the taxpayers' expense, and to do significant harm to public debate.<sup>15</sup>

The problem with staff capture of the ABC extends beyond simple narrowness of perspective and operational inefficiency. The problem goes to the heart of the divide in Australian opinion between a tertiary-educated elite and the general public, as is profoundly analysed by Dr Katharine Betts (Betts, 1999). In her analysis (see Appendix II), Dr Betts brings out how certain ‘marker opinions’ are used by members of the tertiary-educated elite (including journalists) to signal their status—that they are ‘kosher’—to their social peers.

If journalists use ideas as ways of signalling their status to their social peers, great damage can be done to the proper functioning of democracy through a

narrowing of national debate and by alienation of significant slabs of public opinion. It is naïve to think that those from whom you are signalling your distance do not notice the subtle and not-so-subtle denigration of them, their beliefs and values. Dr Betts titles her chapter on Pauline Hanson and

One Nation ‘the revolt of the parochials’. As Nicholas Rothwell wrote, the ‘effect of Hansonism on a distraught intelligentsia is a key aspect of its appeal’.<sup>16</sup>

If we have a large media organization, funded to the tune of \$630 million annually by taxpayers, which is substantially captured by a staff who are members of a social elite, and if that staff use that capture to manifest their claims of social and moral superiority then:

- the situation is hardly conducive to open national debate;
- it may distort democracy (famously defined by Clement Attlee as ‘government by discussion’); and
- it is regressive public expenditure with a vengeance.

In short, hardly a use of taxpayers’ funds best calculated to generate a net social benefit.

The use of marker opinions (‘political correctness’) to signal social status also has a natural affinity with ‘fear-and-control’ agendas. This is a process whereby advocacy groups embark on scare campaigns aimed at generating publicity, members and donations. Such scare campaigns typically advocate increased

government action—raising fears does make protective action by government naturally more attractive—which then has the capacity to generate increased career opportunities in the public sector. And there is nothing like fighting an identified ‘great evil’ to mark one’s moral and intellectual superiority. Career prospects and social status-seeking thus dovetail very nicely together.

The media have a natural vulnerability to scare campaigns because these sell newspapers and raise ratings. If these scare campaigns then link into journalists’ wishes to seem ‘kosher’ to their social peers, too often they are further encouraged to an extent which overwhelms rational discussion. One of the key arguments for a publicly-funded media organization is the alleged ability to resist sensationalist pressures. Unfortunately, this is not an argument that stands up for the contemporary ABC. Far from promoting reasoned debate, the ABC tends to promote ‘fear-and-control’ campaigns. To take just one example—environmentalism and global warming—a simple study of the ABC Website made the following points:

Comments by Greenpeace featured in no fewer than five stories. One news item was entirely devoted to comments by Greenpeace and the ACF. Disturbingly, none of the comments from these conservation groups were subject to critical examination, and thus the ABC’s airing of those comments was essentially free publicity for them....

Lay persons relying on the ABC for balanced commentary probably gained the impression that catastrophic climate change will be a reality unless we impose substantial curbs on our greenhouse gas emissions in the near future. The selective interviewing of scientists supportive of global warming scenarios, the almost exclusive focus on the negative impacts of global warming, and the predominance of environmentalist commentary suggest that the ABC is significantly biased in its reporting of global warming issues. It is fair to conclude that the ABC’s reporting represents a perni-

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cious mixture of science and environmentalism. The absence of interviews of scientists critical of the 'consensus' view on global warming, and the paucity of comments from persons and groups opposed to the Kyoto Protocol, are tantamount to censorship by omission.<sup>17</sup>

Such tendencies are particularly powerful in a public broadcaster because such campaigns foster the position of the public-sector and tertiary-educated middle class. There is no greater sign of moral worth than 'saving the planet'. A comment by Dr Walter Starck, based on long personal experience, expresses this mentality nicely:

Curiously, while [environmentalists] express great concern over a problem, they also seem deeply committed to it, in and of itself. Any suggestion that their avowed concerns may be unfounded are not greeted with hopeful interest but rather anger and outrage. To disagree is not possibly to be mistaken but rather clear evidence of wilful evil.<sup>18</sup>

Or, to put it another way, contrary argument undermines the moral crusader status of the true believers; it undermines their moral assets.

Perhaps the most pernicious single effect of such fear-and-control campaigns is their destruction of hope among our children. In his monograph *Don't Panic, Panic. the use and abuse of science to create fear*, the late John Farrands—whose distinguished career

included holding the positions of Chief Defence Scientist (1971-77), head of the Commonwealth Department of Science (1977-82) and Chairman of the Australian Institute of Marine Science (1982-90)—begins 'In

our time, we have created the most unnecessarily fearful generation of humankind ever to have populated the Earth'. But there are lot of noisy, vested interests in fear.

Mark O'Connor (very far from a 'right-wing' commentator) also notes patterns in ABC coverage:

Among its many acts of censorship, ABC TV News suppressed the fact that the Australian Conservation Foundation and the Australian Democrats had long been calling for zero net migration. They also ignored the installation of Labor's 'environmentally responsible' Popu-

lation Policy—a major innovation—at its Hobart National Conference in 1998. Yet as soon as the One Nation party announced a zero net migration policy, the ABC joined in citing it as evidence of 'racism'. This soon became for some as unshakeable an assumption as that One Nation's (rather bloodyminded) stance on Aboriginal rights was proof of 'racism'. Had the ABC properly reported the zero net immigration policy of other more left-wing parties, they could not have whipped up this hysteria about One Nation's following suit.

So far from acting as a watchdog on politically correct extremism by other ABC programs, Stuart Littlemore's 'Media Watch' through much of the 1990s stood ready to attack them if they were less PC than himself.<sup>19</sup>

A senior journalist, Alan Mitchell, Economics Editor of the *Australian Financial Review*, has also recognized the problem:

any serious review by the board and management of the ABC of the quality of the ABC's work would form an adverse opinion of the repetitive diet of undergraduate essays on the environment, women, aborigines and the evils of capitalism that passes for much of public broadcasting.<sup>20</sup>

As these quotations indicate, the staff capture of the ABC is expressed in its coverage of indicative issues.

Social analysis of the type presented above does not require any conspiracy theory. All it rests on are the propositions that:

1. people in certain social positions find certain ideas and attitudes particularly attractive; and
2. when ideas and attitudes attractive to that social position are generated, an evolutionary process of idea reinforcement and selection will tend to spread such ideas, and then consolidate them, amongst people sharing that social position.

And the more protected against outside criticism or

accountability a particular social or institutional *milieu* is, the more strongly such processes of selection are likely to operate. Indeed, people inclined to such views in the first place will be attracted to that organizational setting, further reinforcing the process.

## THE STAFF CAPTURE OF THE ABC IS EXPRESSED IN ITS COVERAGE OF INDICATIVE ISSUES

## CONTRARY ARGUMENT UNDERMINES THE MORAL CRUSADER STATUS OF THE TRUE BELIEVERS; IT UNDER- MINES THEIR MORAL ASSETS

Recent events in talk-back radio have focused attention on money as a potential corrupting influence in public debate. There are many such influences besides money—power-seeking, ideology,

## THE ABC IS SO 'INDEPENDENT' IT IS INDEPENDENT OF EFFECTIVE ACCOUNTABILITY

public sector is prone to particular corruptions and moral failings at least as much as the private sector. Nor is the 'third sector' without its unethical practices: fraud and exaggeration are hardly unknown among advocacy groups, for example. The real question is whether mechanisms of accountability exist to deal with corrupting influences of whatever nature and how well they work. The ABC is so 'independent' it is independent of effective accountability. This is not a satisfactory situation and does not lead to satisfactory results. Failings in commercial talk-back radio do not justify taxpayer-funding of regular displays of moral vanity by unaccountable ABC staff at considerable cost to the quality of public debate.<sup>21</sup>

It is also interesting to note that people who often appear to display a not inconsiderable desire to tell other people what to do, and a high degree of willingness to comment on their behaviour, often in quite censorious terms, resent bitterly the same treatment directed at themselves.<sup>22</sup> But the structures of the ABC encourage such a culture.

## WORKERS' CO-OPERATIVE AS SNAKE-PIT

When economists talk of organizations as being significantly captured by staff interests, this does not imply that the staff therefore have happy working environments or are highly paid. There is a trade-off (possibly a large one) between pay rates, security of tenure and higher staff numbers; in the public sector this has been typically expressed in favour of greater security and higher staff numbers.

The lack of effective ownership may also contribute significantly to a poor internal working environment. Without owner-interest as an organizational focus, the purposes of the organization become much more contestable.<sup>23</sup> There is, therefore, a tendency for such an organization to become one of feuding 'fiefdoms' fighting over resources without any central organizing principle to provide adjudication.

Add to that the moral status-seeking inherent in the entire 'political correctness' phenomenon, and one has a situation rife for interpersonal relations to tend towards the poisonous.<sup>24</sup> Staff capture by no means implies happy staff.<sup>25</sup>

Countervailing forces may operate in certain circumstances or at certain times to reduce or reverse the effect, but the underlying tendency to staff capture will still be there. This is particularly powerfully instanced in public education. Public education has been subject to waves of change and reform, to the extent that 'change-weariness' is a well-discussed phenomenon within the teaching profession. Much of that change has been driven by the persistent failure of public education to match the expectations of the wider society—public education has not matched the increased quality of output which is notable elsewhere in the economy: from cars to computers to restaurants, despite a 65 per cent real increase in government expenditure per Australian on education since 1974–75, and a 25 per cent increase since 1982–83. Since none of the reforms have addressed the government ownership (and consequent staff capture) which is the root of the problem<sup>26</sup>—though school-based management has gone closest to doing so<sup>27</sup>—the cycle of (at best) temporary success and fundamental failure to perform satisfactorily goes on and on.

## FAILINGS IN COMMERCIAL TALK-BACK RADIO DO NOT JUSTIFY TAXPAYER-FUNDING OF REGULAR DISPLAYS OF MORAL VANITY BY UNACCOUNTABLE ABC STAFF AT CONSIDERABLE COST TO THE QUALITY OF PUBLIC DEBATE

## WHAT IS TO BE DONE?

The most obvious solution is simply to privatize the ABC—remove the problems of façade-ownership by giving the ABC real (private) owners. (Indeed, one obvious possible set of private owners for the ABC is the staff of the ABC itself—a set of owners the usual opponents of privatization would have

difficulty finding grounds to criticize.) The proposition that the ABC 'must' remain 'publicly' owned is a sacred cow: as is common with sacred cows, it defends privilege.

**THE NATIONAL BROADCASTER SHOULD FAIRLY REFLECT THE NATIONAL DEBATE, AND BE LEGALLY REQUIRED TO DO SO**

There may well be an argument for differentiating between parts of the current ABC. The argument for public-good provision of radio and TV in urban areas is weak and is steadily weakening as communications technology develops. Rural provision, however, may be a different case, particularly if were to be administered through local boards.

Given that the Government has severely restricted entry into the TV market, it may well be true, however, that a private owner would not seek to retain the ABC's current 13 per cent of the market—despite the higher incomes of its audience—but instead compete for the current 85 per cent commercial market audience (likely to be even larger in the absence of an ABC). It would then be perfectly open to the Government to define specialty audiences and periodically put out to tender the (subsidized) task of catering to them. A specific government-owned agency is, therefore, not required.

If the ABC is not to be completely privatized, then mechanisms need to be developed to ameliorate the pathologies of public ownership. In particular, the ABC's institutional culture needs to be changed.

The ABC Charter does not actually commit the ABC to reflect or express, or even have regard to, the breadth of social experience and opinion of the nation—to 'reflect the cultural diversity of the Australian community' is not the same thing. In the words of former acting Managing Director of the ABC Keith Mackriell, the ABC needs 'a new Charter, including the statutory requirement to fairly reflect contesting views'.<sup>28</sup>

The national broadcaster should fairly reflect the national debate, and be legally required to do so. Taxpayers' funds should not be used to support regular displays of moral vanity and status-seeking, particularly displays fundamentally predicated on an implicit (sometimes, as in the reporting of the Hanson phenomenon, explicit) denigration of those same taxpayers, their values and beliefs. The pluralism of opinion among the taxpayers and citizenry who are the ABC's funders and notional owners should be reflected in the national broadcaster.

Corporate sponsorship should be introduced to broaden the income base of the ABC, to alleviate what at times seems an almost Pavlovian 'taxes good, markets bad' reflex. Replacement of some taxpayer support from such sources would also make expenditure of taxpayers' funds on the ABC less regressive, less of a wealth transfer from non-users to users. Corporate sponsorship would hardly threaten the independence of the ABC. On the contrary, in Keith Mackriell's words again:

The more sources of funds there are, the less power has any single sponsor. Broadening its funding base is more likely to strengthen than weaken the ABC's independence.

The ABC should not be, directly or indirectly, the judge in its own cause. One of the central reasons for a free press is the value of outside scrutiny: this applies equally to the press themselves. For ordinary citizens, such scrutiny is more difficult of an electronic broadcaster such as the ABC, because its broadcasts, unlike newspapers, do not leave an easily accessible written record. *All* ABC programmes should be, as a matter of statutory right, easily available at the marginal cost of an extra copy to all members of the public—that is to say, to the funders and notional owners of the ABC. Such availability should also be extensively advertised. If anything said at any time on the ABC can be acquired with relative ease by members of the public who may be interested, or by other institutions engaged in more systematic studies, accountability will be markedly increased.

An ABC-appointed 'independent' review panel must labour under a crushing conflict of interest—its interaction with the ABC is likely to be more

**'BROADENING ITS FUNDING BASE IS MORE LIKELY TO STRENGTHEN THAN WEAKEN THE ABC'S INDEPENDENCE.'**

**—KEITH MACKRIELL**

**ONE CAN JUST IMAGINE THE GALES OF ABC LAUGHTER IF A MAJOR CORPORATION—SUCH AS A BANK—WERE TO APPOINT ITS OWN COMPLAINTS BODY AND CALL IT 'INDEPENDENT'**

important to it than interaction with complainants. The ABC clearly sees no problem with a complaints body—its ‘Independent Complaints Review Panel’—appointed by itself being called ‘Independent’. But, then the ABC is a body used to the pretence of accountability without the substance. (One can just imagine the gales of ABC laughter if a major corporation—such as a bank—were to appoint its own complaints body and call it ‘independent’.) The IPA is frequently dissatisfied with ABC coverage of issues. It does not lodge formal complaints for a range of reasons:

- the issue of concern is rarely one of simple inaccuracy, rather one of systematic exclusion or unfair treatment of particular views and points;
- the complaints process is slow and potentially expensive in time and effort;
- the complaints body is appointed by the ABC;
- if the complaint is rejected—even though there are clearly reasons to be sceptical about the process—then the complaint is de-legitimized; and
- even if the complaint is accepted, there are no obvious further consequences.

So the costs and risks of using the current complaints mechanism outweigh likely gains. The relatively low level of usage of the mechanism (only 13 complaints were received in 1997–98),<sup>29</sup> given the deep dissatisfaction with the ABC privately (and publicly) expressed by many people who enter public policy debates, suggests that this is a general view.

In a similar vein, the dispute over the ABC coverage of the 1998 waterfront dispute epitomises the problem of the ABC commissioning analysis into itself. Alan Mitchell has written:

Like Chris Corrigan, I was sure that I could detect a certain lack of impartiality in the ABC’s reporting—although that could be my bias. I see that an independent review of the ABC’s performance has concluded that Mr Corrigan and I were both wrong and that the ABC’s coverage was unbiased.<sup>30</sup>

The ‘independent review’ to which Mitchell refers, the Bell Report, was commissioned by the ABC itself. An analysis by the IPA—not commissioned by the ABC—found that Mitchell’s professional judgement was not amiss at all.<sup>31</sup> The Bell Report, on the other hand, had very significant flaws.<sup>32</sup>

The ABA should, therefore, be given whatever extra oversight powers are necessary to be the appropriate institutional arbiter for complaints against the ABC. The ABA, not the ABC, should commission studies into the ABC’s coverage.

The sudden shift in the balance of ABC TV News coverage during the 1998 Federal election indicates

that editorial control can enforce balance if need be.<sup>33</sup> It should be a normal part of practice, which it has not been. Given these failings, and the organizational shambles exposed in John Lyons’s 30 March 1999 *Bulletin* report, it is clear that a thorough change of the ABC’s management is essential. For such a change one also needs a tough-minded ABC Board willing to support what may be painful institutional changes.

A further step, quite independent of any of the foregoing options, would be to open up the media market so as to allow new entrants to contest the field more effectively. There are certainly strong arguments to do this anyway.<sup>34</sup> But it would have the further benefit of increasing the performance pressure on the ABC. If the broadcast spectrum were liberalized, pay TV may well expand and offer more minority niche channels that compete directly with the ABC’s offerings. This would reduce the justification for taxpayer subsidization of the ABC, forcing it into downsizing or raising more of its own revenue from sponsorship and advertising (as practised by SBS), more video and book sales, and even public subscription. All this would tend to counteract staff capture. This option may also involve the least political difficulties, and be more likely to be sustainable against inherent institutional pressures.

It is sometimes argued that a biased ABC is fine, because it counterbalances what occurs in the commercial media (talk-back radio being the normal villain cited). This was the argument advanced by Phillip Adams in the article quoted above:

I had a public blue with [ABC Managing Director] David Hill about it once. I said, ‘let’s concede that the ABC is leftwing and biased. Let’s be honest about this, Radio National’s a seething hotbed of political correctness.’ Surely we can justify that by pointing out that it’s a fart in a windstorm compared to the overwhelming bombast and bigotry that’s pouring out of commercial radio. Now, David, of course, can’t accept that argument; he can’t even allow it to get on to the table. And I can’t see why he can’t.

Any suggestion that left-of-centre views do not get a reasonable run in the commercial media is patent

**ANY SUGGESTION THAT LEFT-OF-CENTRE VIEWS DO NOT GET A REASONABLE RUN IN THE COMMERCIAL MEDIA IS PATENT NONSENSE**

nonsense. The IPA study of prime-time TV news coverage during the 1998 Federal election showed that *none* of the free-to-air commercial stations fa-

## THE PROBLEMS OF PUBLIC OWNERSHIP ARE INSTITUTIONAL, ENDEMIC AND CONTINUING

voured the Coalition: on a broad view of 'balanced', Nine was balanced, Seven and Ten's coverage favoured the ALP, Ten very strongly so.<sup>35</sup> *The Age*, for example, has no regular right-of-centre commentator on its Opinion page,<sup>36</sup> nor do *The Australian* or the *Sydney Morning Herald* (or, for that matter, the *Australian Financial Review*) show any reluctance to publish left-of-centre comment and opinion.

Moreover, the oligopolistic nature of the commercial media is, to a significant degree, a result of government intervention in the media market. The solution is to remove those interventions and to treat the media like any other industry. Furthermore, it is ridiculous, indeed offensive, to tax lower-income people to allow better representation of *elite* views in the media—regressive expenditure with a vengeance! As Adams himself concedes, that the ABC cannot be officially seen to favour particular views indicates the fundamental problems with this justification for bias. Indeed, the suggestion that those 'in the know' can understand why it is 'OK', in fact good public policy, for the ABC to be biased, but the ordinary folk who actually pay for this have to be kept in the dark for their own good, is precisely the sort of self-serving status-seeking whose subsidized indulgence is the most offensive single aspect of the current dispensation for the ABC.

## CONCLUSION

The reality is, it is not 'our'—the general public's—ABC; it is the staff's ABC. Far from making it 'our' ABC, the realities of 'public' ownership are a powerful protective against genuine accountability, and lead almost inevitably to staff capture. Current performance—the favouring of particular views, inadequate approach to accountability, operational inefficiency, the regressive nature of expenditure on the ABC—does nothing to rebut this point.

At any given time, particular governments and ministers may be more or less willing to attempt to

enforce accountability and quality control on the ABC, particular senators may be more or less willing to use their oversight opportunities to do the same, particular ABC Boards and Managing Directors may be more or less willing to tackle the problems. But these are matters of personalities and political happenstance and individuals' capacity to act will generally be significantly constrained. The problems of public ownership are institutional, endemic and continuing. In the end, the pathologies of public ownership will tend to manifest themselves.

This is not an argument for inaction. Indeed, it is the duty of ministers, senators, ABC Board members and the Managing Director to attempt to redress this situation, to seek to enforce accountability to the citizens and taxpayers to whom

## OFTEN, THE ABC SEEMS MORE INTERESTED IN CLOSING DOWN DEBATE THAN IN PROMOTING IT—AN UTTERLY INAPPROPRIATE ROLE FOR THE 'NATIONAL' BROADCASTER

they themselves are responsible. As indicated, short of cure by privatization, the disadvantages of public ownership of the ABC could be ameliorated by:

- suitable appointments to ensure a tough-minded ABC Board;
- large-scale change in management;
- a new or amended Charter imposing a statutory commitment to be fair to contesting views and genuinely pluralistic in its broadcasting and commentary;
- increased corporate sponsorship to broaden the income base and make the current revenue structure less regressive;
- greater ease of outside scrutiny; and
- not being, directly or indirectly, the judge in its own cause.

The issue is more one of squarely facing the institutional nature of the problem. It also puts into sharp relief the fundamental question: **why should over \$630 million of taxpayers' funds be spent each year on an organization which is not properly accountable and which is largely subservient to the interests of its staff?** One, moreover, whose role in public debates has come to be that of a participant rather than a facilitator. The ABC fosters and represents elite status and interests. Often, it seems more interested in closing down debate than in promoting it—an utterly inappropriate role for the 'national' broadcaster.

## APPENDIX I: AUSTRALIAN BROADCASTING CORPORATION ACT 1983

### Section 8: Duties of the Board

- (1) It is the duty of the Board:
  - (a) to ensure that the functions of the Corporation are performed efficiently and with the maximum benefit to the people of Australia;
  - (b) to maintain the independence and integrity of the Corporation;
  - (c) 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; and
  - (d) to ensure that the Corporation does not contravene, or fail to comply with:
    - (i) any of the provisions of this Act or any other Act that are applicable to the Corporation; or
    - (ii) any directions given to, or requirements made in relation to, the Corporation under any of those provisions; and
  - (e) to develop codes of practice relating to programming matters and to notify those codes to the Australian Broadcasting Authority.
- (2) If the Minister at any time furnishes to the Board a statement of the policy of the Commonwealth Government on any matter relating to broadcasting, or any matter of administration, that is relevant to the performance of the functions of the Corporation and requests the Board to consider that policy in the performance of its functions, the Board shall ensure that consideration is given to that policy.
- (3) Nothing in subsection (1) or (2) is to be taken to impose on the Board a duty that is enforceable by proceedings in a court.

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## APPENDIX II: OPINION AS STATUS MARKER

Although, in her book *The Great Divide*, Dr Betts concentrates on the issue of immigration, her analysis of the divide between attitudes held by the majority of Australians—those she labels ‘the parochials’—and opinions held by a new tertiary-educated elite—who she labels ‘the cosmopolitans’ or the ‘new class’—who use a particular type of language, the culture of ‘critical discourse’, has wider significance.

In her words (page 78):

The culture of careful and critical discourse provides a focus for the process of social closure, a basis for drawing distinctions between insiders and outsiders.

In particular (page 81):

Class may not be the most appropriate term to use in analysing the social position of intellectuals but material interests can reinforce social closure based on the status markers of language, ideology and style of life. I am using the term ‘new class’ as a label for the category of people who have learnt to use the culture of careful and critical discourse. I am doing this because it is a useful shorthand term, but the group it describes are more of a status group than a class.

The tertiary-educated group possessing what has been called ‘cultural capital’ has grown rapidly—the proportion of the population aged 15 and over with university degrees grew from 1.5 per cent in

1966 to just over 10 per cent in 1996. As Dr Betts notes, such rapid social mobility creates insecurities that can be alleviated by status-markers—such social devices as using language in certain ways, accepting certain ideas. Such status-markers establish you as an acceptable member of the group while simultaneously marking your distance from the rest of the population.

Dr Betts is particularly concerned with the use of a ‘shifting and indeterminate definition of racism’ (page 300) to close down debate. As she says in her discussion of John Howard and the ‘Asian immigration’ controversy of 1988, (page 300):

The danger of discussing immigration was demonstrated once again; potential critics could never be sure when offended new-class sensibilities might cause the racist trap to be sprung.

Similar points apply to discussions of gender and (to a lesser degree) sexuality. They apply most emphatically to Aboriginal issues. While environmental and welfare issues do not lend themselves to quite the same easy hue-and-cry and pariah-labelling, there is certainly a similar dynamic of approved (‘good person’) and unapproved (‘bad person’) opinions operating.

*An interview with Dr Betts is on the IPA Website at (<http://www.ipa.org.au/MediaMonitoring/articles/Bettssummary.html>)*

## ACKNOWLEDGMENTS

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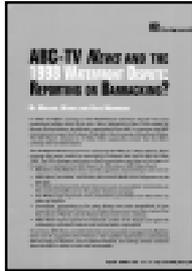
## ENDNOTES

- 1 Australian Broadcasting Corporation Budget Statement, available at [www.dcita.gov.au](http://www.dcita.gov.au). This does not include those superannuation liabilities for ABC employees which will ultimately be borne by the taxpayer.
- 2 All figures taken from the 1997–98 ABC *Annual Report*.
- 3 Those statutory duties cannot, however, be enforced by court proceedings (see Section 8(3)).
- 4 This analysis is based on the extension of Jensen, Fama and Mecklin's analysis of agency problems in firms (see Jensen, M.C. & Meckling, W.H., [1976]; Fama, E.F. [1980]; Jensen M.C. & Fama E.F. [1982]) to publicly-owned enterprises by Peter Hartley and Chris Trengove while they were at the Centre of Policy Studies, Monash University (see Trengove, Chris, [1984], Hartley, Peter & Trengove, Chris [1986]). The argument is further developed in Hartley, Peter & Warby, Michael, *et al.* [1998].
- 5 That 'public' ownership is 'ownership' without personal effort or risk, coupled with private ownership being very much ownership by 'someone else', does much to account for the general unpopularity (before the event) of privatization.
- 6 The much improved productivity performance of the Australian economy (see Parham, D. [1999]) has followed a programme of economic reform since the mid-1980s which has included very considerable levels of privatization. Of course, simple comparison of North and South Korea, East and West Germany, Taiwan and mainland China makes the same point. Western societies certainly have their share of spectacularly inefficient government enterprises (such as the loss-making betting shops of New York City, where staff capture was so bad even a 'licence to print money' became a loss-maker—see Eggers & O'Leary [1995], pages 23–24). Their government enterprises are, however, embedded in functioning market systems and rule of law, which reduces the ill-effects of public ownership. In command economies, those pathologies are the normal state of affairs, lacking any significant countervailing factors.
- 7 An excellent example of this phenomenon was displayed during the student literacy controversy early in the term of the Howard Government. When the then Commonwealth Schools Minister, Dr David Kemp MP, released survey evidence suggesting unsatisfactory levels of literacy achievements by students, State and Territory Ministers denied that there was a problem and/or claimed that more money was needed. Defence of the State and Territory Ministers' managerial competence as the major providers of schooling services obviously trumped the public interest requirement to examine seriously the actual level of performance of schools and the reasons for any sub-standard performance.
- 8 *The Bulletin*, 17 February 1998. Defenders of the ABC have often used the fact that both sides of politics have complained about bias as proof of the ABC's objectivity. It is not the contention of this paper that the ABC is captured by the ALP. Rather, that the ABC encapsulates a very narrow range of views which either side of politics can fall foul of, though the Coalition is more likely to (see study cited in footnote 12).
- 9 Similarly, teacher union capture of government school systems has also been a recurring problem—see Lieberman (1993), Gannicott (1997) and Hayward & Caldwell (1998).
- 10 *Australian Financial Review*, 6 August 1996. For example, ABC crews attending news events have had a long tradition of including more members than their commercial equivalents.
- 11 *Australian Left Review*, Dec./Jan. 1993. As one can see from the full quotation cited later, this is *not* meant ironically.
- 12 Henningham (1995).
- 13 *The Age*, 26 February 1997.
- 14 A simple explanation would be the belief that the Coalition, even in government, would not prove willing or able to do anything about it. This view is expressed in Mitchell [1998].
- 15 The IPA is aware of at least one major public relations consultant whose advice to clients is simple: if an organization and its industry are, or can be positioned as, 'PC-positive' they will be treated well by the ABC largely regardless of behaviour; if, however, they are 'PC-negative', then they will be treated hostilely, largely regardless of behaviour. To put it another way, the output of the staff-captured ABC will tend to have content which provides 'moral vanity points' to ABC staff. A former senior commercial journalist and media executive observed that the 'tone' of ABC coverage is quite similar to that of other public-sector broadcasters—such as the former Radio Moscow, Xinhua, French, Singaporean or Malaysian state broadcasting—including news bulletins often sounding like a series of media releases from favoured groups and hostile commentary about unfavoured ones. The use of adjectives, in particular, is quite revealing, with 'progressive' and left-of-centre groups getting neutral labelling (that is, being treated as 'mainstream') while non-left groups get ideological labelling ('free market', 'right wing', 'conserva-

- ative', 'ultra-conservative') to indicate their 'dubious' status.
- 16 *Two Nations*, Bookman Press, 1998, page 168.
  - 17 Dr Aaron Oakley, *IPA Review*, June 1999.
  - 18 *IPA Review*, June 1999.
  - 19 O'Connor, [1998], page 212.
  - 20 Mitchell [1998] available at <http://www.hrnicholls.com.au/nicholls/nichvo19/Mitchell.htm>.
  - 21 If the 'stolen children' are not a case of genocide, if labour market regulation helps entrench unemployment, if welfare expenditure can be counter-productive, if opposition to high migration is not racist, if there are genuine issues of social coherence that multiculturalism has to deal with, etc. then adherence to the standard set of 'politically correct' attitudes is not a sign of superior moral understanding. Debate on such issues undermines the 'moral assets' that political correctness otherwise provides. To protect the moral assets of the 'politically correct', dissidents on such issues have to be shown (sic) to be wicked and opposing views illegitimate. Debate is therefore moved away from logic and evidence to pariah-labelling and heresy-hunts; a move which is about closing down debate, not prosecuting it. It is a frame of mind which is not only inimical to the functioning of democracy, of 'government by discussion', but one with an inherent tendency to intellectual sterility, since it is deeply hostile to genuine inquiry.
  - 22 It was notable that the line of criticism that John Laws ran against the ABC and the Fairfax press—that they were just biased elites attacking a popular figure—was replicated by the ABC against the IPA when the IPA examined the ABC's performance. The ABC, like Laws, also put on supporters to speak in its favour, also denied any wrongdoing and also showed clear resentment of any outside scrutiny of its performance.
  - 23 The standard response to the lack of owner-focus and internal result-feedback mechanisms (such as profit motive) is for public-sector organizations to become process-oriented. Enforcement of rules and procedure becomes an indirect way of attempting to ensure accountability and direction of effort to public purposes.
  - 24 The back-biting bitterness within and between many 'progressive' organizations and networks, and their penchant for personal denigration and abuse, is notorious. The moral vanity hypothesis (that a major aspect of the personal return to 'progressive' politics is a sense of superior moral insight and worth tied to holding particular opinions, criticism of which undermines said moral assets and so is a sign of 'evil') provides a simple explanation for this widely observed behaviour.
  - 25 These points also apply to academia. Universities—including private universities—also lack owners, also have contestable purposes, also have status-seeking behaviour of the moral vanity variety, have very strong opinion-selection processes and weak external accountability. In Australia, the combination of public ownership and public funding has maximized the opportunities for capture by the administrative staff. (Soviet-style production leading to Soviet-style outcomes: the *nomenklatura*, now at a university near you!)
  - 26 Lieberman, (1993), Gannicott (1997) and Hayward & Caldwell (1998) analyse the problems of what Lieberman calls 'producer capture' and Gannicott 'provider capture' in public education.
  - 27 Changes to Commonwealth policy via the abolition of the new schools policy (allowing more market entry) and new funding arrangements are likely to improve competitive pressures in the industry.
  - 28 *IPA Review*, Vol. 49, No. 2, 1996.
  - 29 *ABC Annual Report 1997-98*, page 64. Of these 13 'many ... did not meet the Panel's criteria' which left the ICRP accepting three for review and one further request was abandoned by the complainant. Of the three accepted 'none of these were completed during the reporting period'. Not an inspiring record.
  - 30 Mitchell, *op. cit.*, 1998.
  - 31 See Warby & Morrison [1999] available at <http://www.ipa.org.au/pubs/backgrounddocs/11-1summary.html>.
  - 32 For example, citing statistics of pro-MUA as against pro-Patrick/Government sound bites but not including in its count comments by ordinary wharfies who were, as was a notorious public fact, all members of the MUA. ABC Chairman Donald McDonald and Managing Director Brian Johns both circulated a further paper by Professor Bell criticizing the IPA study. A point-by-point rebuttal of Professor Bell's points can be found at <http://www.ipa.org.au/MediaMonitoring/articles/Bellresponsesum.html>.
  - 33 See Morrison, Kate, McIntyre, Andrew & Warby, Michael [1998].
  - 34 Albon, R. & Papandrea, F., [1998]. This study outlines some of the problems of regulation which are particularly rife in the area of media regulation precisely because politicians and political parties are important media players.
  - 35 Morrison, Warby & McIntyre (1998).
  - 36 Hence nicknames like 'the Spencer Street Soviet'. Ross Gittins and Gerard Henderson are very partial exceptions and are imports from Sydney shared with the *Sydney Morning Herald*.

# Recent IPA Publications

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## *ABC-TV News and the 1998 Waterfront Dispute: Reporting or Barracking?* by Michael Warby and Kate Morrison

In 1998, the ABC's coverage of the MUA/Patrick waterfront dispute led to allegations of bias, most notably by Senator Richard Alston, the Minister responsible for the ABC. In response, the ABC commissioned a report by Professor Philip Bell of the University of New South Wales, a report which supposedly 'proved' that the ABC's coverage had not been biased.

The IPA Media Monitoring Unit has reassessed the ABC-TV 7.00pm Sydney *News* coverage. The IPA's findings cast doubt on Bell's conclusions and also on the rigour of his report. The IPA study found that *ABC News* provided distinctly more favourable coverage to the Maritime Union and its supporters than Patrick or the Coalition Government, contravening both its Code of Practice and its Editorial Policies. As this Backgrounder points out, the entire matter raises serious concerns about the ABC's accountability.

IPA Backgrounder, April 1999, \$12.00



## *Pay TV in Australia: Markets and Mergers* by Dr Cento Veljanovski

In 1997, the ACCC blocked a merger between Foxtel and Australis, two pay TV operators. The ACCC's argument that the market consisted of pay TV only was not based on empirical evidence but on controversial European and US regulatory decisions. A wider assessment that includes both price and non-price competition suggests that the relevant market includes free-to-air TV during pay TV's formative years.

The author argues that government policy has encouraged unsustainable levels of competition in pay TV and telecommunications networks.

IPA Current Issues, June 1999, \$12.95

## *Election '98: TV News in the Spotlight* by Kate Morrison, Andrew McIntyre and Michael Warby

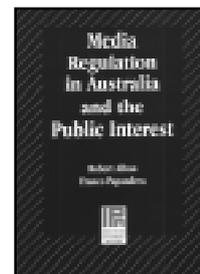


Established with the assistance of Canada's Fraser Institute, the IPA's Media Monitoring Unit analysed TV news coverage of the 1998 Federal Election by *ABC News*, *Seven Nightly News*, *National Nine News* and *Ten News*. The IPA's line-by-line assessment of the coverage of Coalition and Labor Party policies provides detailed analysis of the coverage. In particular:

- Television's discussion of the major parties' policies was highly critical.
- The Coalition's policies received 80% more scrutiny than the ALP's.
- Overall, the four networks' presentation of the major parties' policies favoured the ALP by a 33% margin.
- *National Nine News* was the most balanced; *Ten News* was the least.
- *ABC News*' coverage shifted dramatically: during the first two weeks of the election campaign, *ABC News* was the least balanced programme, favouring ALP policies by 56%. In the last week, *ABC News* was the most balanced of the four TV news programmes

IPA Backgrounder, December 1998, \$10.00

## *Media Regulation in Australia and the Public Interest* by Dr Robert Albon and Dr Franco Papandrea



Successive Australian governments have been unwilling to let the market in the media industry work. Instead, claiming a host of 'imperfections', 'failures' and 'social responsibilities', they have imposed a maze of special regulations controlling entry, ownership and content.

The two authors demonstrate that many of these regulations have been contrary to the public interest, resulting in too few services, delayed introduction of new technologies, and greater concentration of media ownership.

IPA Current Issues, November 1998, \$12.95

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