

23 June, 2023

ABC Friends visit ABC Managing Director

Dear ABC Friend

Over the past week since the ABC announced its new five-year plan and decisions such as the axing of the Political Editor position, there has been an outpouring of criticism by ABC staff, MPs, stakeholders, audience members and ABC friends.

In an email to subscribers, ABC alumni President Jonathan Holmes wrote that the last week has been "fairly disastrous for the ABC's reputation amongst its friends (including ABC Friends) as well as its enemies".

SA Premier Peter Malinauskas publicly shared his <u>letter</u> to ABC Managing Director, David Anderson, and Chair, Ita Buttrose, saying that while he understood and applauded the ABC's "desire to innovate and expand into the digital space, it appears local news is in retreat".

"For almost every Member of Parliament, ABC News is not always comfortable viewing. It regularly holds me and my Parliamentary colleagues to account. It does so without fear of favour, as it should," he said.

On Wednesday, Margaret Whealy, ABC Friends NSW & ACT, and I met with ABC Managing Director, David Anderson, for some 90 minutes in response to the <u>letter I sent last Friday</u>.

In the letter, I wrote that many of our 71,000 members and supporters were particularly concerned that the removal of the Political Editor role would adversely impact the ABC's crucial role in holding our national political leaders accountable. I also wrote of the importance of the new plan and restructure being well understood and implemented sensitively – neither of which were apparent in the way in which the announcements were made.

In seeking the meeting, we sought to inform David of the expressed concerns of ABCF members and supporters about the axing of the Political Editor position and the standalone arts team and to seek reassurances from him that these did not mean that the ABC was replacing quality traditional radio/TV programs with digital programs.

During the wide ranging discussion, we agreed that while the ABC's planned restructure and resulting decisions made sense on paper, and were normal practice

for organisations to stay fit for purpose, the handling of the restructure had left a lot to be desired.

There are some positives associated with the restructure and we raised these with the MD – the reinstatement of Stateline, the new Climate team, fewer executives, and the (inevitable) move towards digital.

However, we also made it clear that we had received a huge number of complaints from ABC Friends members and supporters about the poor communications of the proposed changes, the management of Andrew Probyn's departure, the negative impact on employee morale and the general public relations disaster. We warned David that if these concerns linger and fester, that the ABC would lose some of its most rusted-on supporters.

David assured us that there will always be ABC TV and radio and that these will always be content driven, with the proposed changes intended to free up the funds needed to enhance the investment in quality content.

Stressing that the ABC's financial situation is one of the major factors driving the restructure, David confirmed that the "indexation" allowance is lower than inflation, falling next year and delayed, and that there is not enough in the budget to pay scheduled salary increases and maintain current staffing levels.

ABC funding snapshot: ABC alumni

In Jonathan Holmes' email to subscribers, he provided an outline of the ABC's current financial realities.

- 1. The CPI, as we all know, is running at around 7% p.a. The major costs facing the ABC, other than wages (energy, communications, outside production costs etc) are if anything rising more quickly than the CPI.
- 2. The ABC reached an agreement with its staff to a pay rise of 4% backdated to last October, 4% in October 2023 and 3% in October 2024. David Anderson made it plain to the unions then that though the staff salaries would be falling behind the cost of living more slowly than they would have done under the ABC's original offer, there will necessarily have to be fewer staff because the money pot is not getting bigger.
- The ABC's operational budget, supposedly now indexed against inflation, will rise next FY by a mere 2.3% (this includes the \$37m over the next four years that I

mentioned in my last newsletter). So in real terms the ABC will be getting poorer each year, and when the "catch-up" money awarded in the October budget to compensate for the Turnbull/Morrison indexation freeze stops in four years' time, it will drop another \$20m per year.

David said that **expenditure on the arts will remain the same**, with a broader reach resulting from the restructure. It appears so far that the ABC's commitment to be an essential part of the cultural infrastructure remains unchanged.

In terms of the removal of Andrew Probyn, David reassured us that the ABC Canberra team is sizeable and very strong and can cover his absence. A new person will be appointed to head up the team soon.

Throughout the meeting, David said he welcomed hearing the views of ABC Friends and invited us to communicate our concerns directly to him. He also said he would welcome the opportunity to speak to members and is now checking to see if he can be the guest speaker at the ABC Friends Victoria annual dinner on 17 November.

We told him that we will continue to canvass ABC Friends supporter views and he said he would particularly welcome our views on why so many listeners are turning off radio.

At the conclusion of the meeting, we reiterated ABC Friends' commitment to continue to advocate for the ABC to be better funded and he has committed to providing us with more detailed information on which we can campaign.

To sum up, there is considerable work to be done by us all to ensure the ABC's future as a quality national broadcaster which can attract and retain audiences and have the funding support and certainty to deliver quality, accessible content.

I look forward to working with you all on this important quest and hope that you can make a donation to help.

<u>Donate</u>

Thank you for your support.

Kind regards



Michael Henry Acting National President ABC Friends

PS - If you can, please make a donation to help us continue this important work.



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