

ABC Editorial Review No.8
Impartiality of business coverage
May 2016

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FOREWORD

Mike Smith, Adviser to the review and former CEO of ANZ Banking Group

When I was first asked to assist with the impartiality review of the ABC's business coverage, I must admit to a perception that the ABC was inherently anti-business. I have been encouraged to find that when comparing coverage of business issues over a randomly selected period, this perception was incorrect and the coverage was generally unbiased. I have observed that the ABC does a credible job across a range of media with quite limited resources when compared to similar institutions, such as the BBC. If there is a fault, I would say that business coverage is usually reported through a political rather than economic lens which generally results in negative rather than good news. This raises the question, what should the ABC's role regarding business coverage be?

The ABC is a unique institution and one that most Australians trust. It therefore has a responsibility to accurately and without bias report all aspects of news and at times this may require an educational context - I would say this is particularly true of business stories. It should be remembered that in some regional communities the ABC is still the main source of news and the findings of this review generally observed that radio coverage at both national and state levels did a good job at explaining the context and impact of business news.

Australia is presently in the process of an economic transition which is probably not as widely understood as it needs to be. The ABC has a clear role to play in this debate and to assist in shaping future policy, but this has been hampered by the almost revolutionary change that continues to affect the whole media industry.

My observation of the ABC's business coverage is that there is no clear vision of what it wants to be or how it hopes to get there. At present there is a feeling that the institution is trying to be all things to all people and it has not clearly determined which medium should be targeted to which audience. This leads to uncoordinated resource allocation and a confused organisational structure that is more suited to the past. This confusion, particularly with target markets, means it is difficult for business leaders to determine the value of their participation in various programs, which in turn leads to frustration within the ABC that business does not partake in policy debate as it would in other countries. None of this is particularly difficult to fix, but in an era of resource constraint, (which seems to be well understood by staff), this fix is more important than ever.

In my opinion and based on my observations Kerry Blackburn's report accurately identifies the issues that the ABC has with business coverage, and its recommendations are sensible, pragmatic and relatively straightforward to implement.

As I mentioned at the outset, I believe the ABC does a credible job with business coverage. With a clearer vision, an understanding of target markets and better coordination of resources, the quality and context of this coverage could be even better.

A handwritten signature in blue ink that reads "Mike Smith". The signature is written in a cursive style and is enclosed within a simple blue rectangular border.

1 Introduction

This review of the ABC's business coverage has been written with an ear on two elephants stomping around the room so loudly that they could not fail to be heard by this reviewer: digital disruption and economic transition. I happen to be writing this sentence 30 years to the day after Paul Keating's paradigm-shifting banana republic speech¹. Despite the passage of time - and of course some rather different numbers - the broad sentiment still rings true: the lucky country can no longer rely on luck; the Government has to balance the books; Australians need to understand what is going on and what needs to be done in their name.

The ABC should be well-positioned to deliver that information to its audiences across Australia. Uniquely perhaps: the broadcast space has been largely vacated by the ABC's free-to-air competitors, none of whom any longer have programming dedicated to explaining and interpreting the business and economic affairs of the nation. Nor do those ABC competitors have the array of highly-skilled and knowledgeable business specialists (and many more generalists) who turn their focus on business matters every day.

But while business and economic news might be in the public interest, is it interesting to the public? A survey last year for the respected Reuters Institute² asked respondents across 12 developed nations to select up to five types of news which they considered was important to them. The result suggested that Australians are at least as interested in news about business and the economy as they are in politics:

- 28% highlighted their interest in business and financial news; Australians rated this type of news higher than respondents from any other country
- 35% of respondents selected news about the economy, which was a separate option in the survey
- 29% of Australian respondents said they were interested in political news (the lowest level of interest in politics amongst the 12 countries)

So I have embarked on this task with a sense of "if not the ABC then who? And if not now, then when?" With that thought in mind, the task I have set myself is to test whether the ABC's business offering is fit for purpose.

¹ "I get the very clear feeling that we must let Australians know truthfully, honestly, earnestly, just what sort of international hole Australia is in. It's the prices of our commodities they are as bad in real terms (as) since the Depression

"If this government cannot get the adjustment, get manufacturing going again, and keep moderate wage outcomes and a sensible economic policy, then Australia is basically done for. We will just end up being a third-rate economy a banana republic."

² <http://www.digitalnewsreport.org/about-us-2015/> (p61)

I need to come back briefly to that other romping elephant. I am conscious that a review this broad in scope needs to have an eye on the bigger picture, because it is not just the economy that is in transition. Television news faces challenges from digital media just as great as that which has devastated the business model of printed newspapers.

21 years ago the ABC launched its website; it consisted of an intern sharing a broom cupboard with the brooms (okay not quite, but not far off). Today the majority of Australians report that they get their news primarily from a variety of internet-enabled devices; increasingly that's their smartphone. The ABC along with all the legacy broadcasters clearly understands and has embraced that, within its already over-stretched resources. The reviewer was told that the News Division has lost \$1m a month in the most recent budget cuts.

But while the news pages of the ABC website are hugely popular and it ranks as the second most-visited news site in Australia, the carefully curated content is increasingly not the only way we are accessing news online: we are clicking on links to distributed video and text, scientifically selected just for us and offered up directly while we wade through the social and personal ephemera on our social media networks. Some content originates from the ABC; the majority does not. And much of it is content that has been created specifically to be viewed on a mobile device.

None of the legacy broadcasters have yet come up with a strategy for long-term survival in a digital world, but so far, none of the major new digital pure play players or platforms (Amazon, Google, Netflix for example) have focused their attention on online video news, preferring instead to concentrate on digital entertainment. That leaves the ABC and other legacy news broadcasters with both an opportunity and a challenge.

The digital future is already here even while the legacy platforms are nowhere near dead, buried and cremated – and possibly never will be (my bet is on co-existence for many years to come). That makes it particularly tricky when it comes to decisions about where to lavish creative attention and how to divide a shrinking pot of cash. And the ABC knows that if it is to thrive and not just survive it needs to adapt and plan now for a time where those who grew up with digital media are the majority and where the hegemony of linear broadcast news will inevitably come to an end.

Where any of this has an impact on the impartiality of business coverage may not be immediately obvious, but as I reflected on the “fit for purpose” challenge I had set myself I was conscious of those real world challenges facing the ABC, and ABC News in particular.

The ABC has a statutory duty under the 1983 Broadcasting Act to ensure that the gathering of news and information is accurate and impartial and its Editorial Policies set out what program makers must consider. Put simply, the ABC is expected not to take sides and to present information in a way that enables audiences to make an informed decision on the issue before them. (the ABC's Editorial Standards for Impartiality are set out in full as Annex II)

While it is relatively straightforward to define impartiality, it is harder to define the range of ways in which impartiality can be achieved in a given context.

My judgement is not infallible: another reviewer presented with the same material may well have reached a different conclusion. Bias is in the eye of the beholder and the most difficult biases to detect are one's own prejudices.

My qualifications for doing this review are that over the years I have made a lot of television and radio and managed large news operations for both public and commercial broadcasters; in recent years I have spent the majority of my working days consulting to the BBC Trust and advising Trustees on some of the trickiest impartiality judgements they have had to make.

There was an assumption in the media when the review was announced that its prime purpose was to calibrate business content against some kind of hostility index. The previous ABC Chairman, Maurice Newman, was quoted in *The Australian* in February as stating that ABC business commentary "tended to be from the left" and that people covering business for the ABC were "not qualified to do so". The writer of that same article suggested the ABC's Business Editor "could be viewed as anti-business" and an anonymous business leader said his columns for the ABC website were "likely to face the most scrutiny". The Financial Review referred to the ABC's "often maligned business coverage".

Not altogether surprisingly, the "ABC as anti-business" theme was reflected in some (but by no means all) of the submissions received for the review from industry groups. But having a vested interest does not of course preclude those critics of the ABC from also having a valid point.

Maybe it does not need saying, but testing the business content for signs of a political agenda was not the starting point of the review, nor what inspired it. Fairness to any individuals aside, there is no merit in approaching a serious piece of research such as this aims to be, with a closed mind.

If there is a starting point, it is that while the ABC has absolute editorial privilege to decide what it broadcasts, its legitimacy is derived from adherence to the ABC's editorial standards. The questions the review has been asked to address were therefore designed to be able to identify whether exercising that editorial freedom has resulted in bias anywhere in the ABC's business chain – including not just the item as broadcast, but where the stories are sourced from, how they are framed, and who is interviewed. This assessment goes well beyond testing for political bias or hostility to business and considers a much wider range of factors that contribute to whether the coverage meets the impartiality standard.

The report has benefitted from the input of Mike Smith, who retired as Chief Executive Officer of ANZ Banking Group in December 2015 and joined me as Adviser to the review. I am particularly grateful for the open-mindedness with which Mike approached the challenge and his insistence throughout that his role be characterised by a determination to be constructive. He has been exceedingly generous with his time and candid in his observations. Above all, Mike has ensured

that the perspective of Australian business has been given due consideration, both in his soliciting of direct submissions from other key business leaders who would not have contributed without his encouragement, and in his perceptive critique of the ABC's output.

Mike also joined me at a number of the sessions with key ABC staff in Sydney, discussing directly with journalists about how the ABC's engagement with business might be improved; both he and they went away with some valuable insights. Inviting someone from "industry" to come on board was a new departure for these reviews, and was not without risk.

I am therefore grateful to the board and to the Editorial Director, Alan Sunderland, for running with it. I hope they consider the exercise worthwhile; for my part I believe Mike's participation has helped to ensure this is an authoritative and credible review.

Kerry Blackburn

May 2016

2 The scope of the review

This report has been prepared at the request of the Board of the Australian Broadcasting Corporation to assess coverage of business issues across all ABC platforms.

The review examined business content on ABC Radio, Television and Online in both specialist and general programming and across all its national, state and local platforms.

The principle aim has been to assess the impartiality of the content, with a particular emphasis not just on the final product and whether perspectives are covered fairly, but to look also at the commissioning process: for example, how the content is gathered, the source of stories and the criteria considered when assessing the merits of a “business” story.

The aim has been to afford a greater understanding of how a business story gets on air and to identify with greater precision than in previous reviews where there might be gaps in newsgathering or oversight which could ultimately affect the editorial standard of the business offering on the ABC.

The content analysis section of the review sampled the output of specialist and mainstream business content on ABC Radio, Television and Online over a randomly-selected one-week period, between 7 and 13 February 2016.

The content sampling was the principle element of the review. But to better inform its findings and recommendations the review also drew on a range of other sources:

- conversations with key journalists within the ABC’s specialist business teams and in newsgathering and senior output roles
- invited submissions from the business community
- analysis of complaints and feedback relating to the ABC’s business coverage

The review was asked to consider the following questions:

1. Is there a perceptible bias in the selection or treatment of business stories in favour of (or against) any stakeholders (e.g. companies/consumers/trade unions)?
2. Does ABC business coverage contain adequate context to make it accessible to the broad ABC audience?
3. Does the ABC content include a broad range of interviewees in its business coverage?
4. Is business knowledge and expertise sufficiently present amongst ABC journalists as a whole in order to ensure accurate and impartial coverage?
5. Does the ABC gather its business news from a sufficiently diverse and representative selection of sources?

For the purposes of this review, and particularly in deciding what should be included in the sample content, “business” has been defined as:

- anything which relates to companies, the boardroom and the workplace and by extension to customers and consumers
- the macroeconomic relationship between business and government
- global business and economic matters

3 Conclusion

This was a particularly ambitious review in that the volume of content, at least for preliminary consideration, was substantial.

The reviewer determined to tackle the task with an open-mind and to let the content guide where her attentions might be most useful. She initially sensed a risk that such an approach would produce an unreliable result, in that it would likely over-emphasise the negative and ignore, or at least underplay, the positive.

The reviewer considers this has been avoided, largely because she found far more to congratulate the ABC for than to criticise, and has been able to highlight best practice where she found it.

She has identified areas where the ABC could be working smarter, and where best practice is not always followed. Those findings and some ideas on how to address them are set out in the next two sections. But none of the shortcomings were so serious that either on their own or collectively they amount to a serious breach of the Editorial Standards.

The reviewer is confident in her conclusion because the sheer breadth and diversity of material she considered offered no hiding place for the ABC: if there had been a general bias in the way the ABC approaches business she would have detected it.

4 Key Findings

The reviewer was asked to address five questions: her findings and observations in response to those questions are summarised below and explored in greater detail throughout the report itself, in some cases under specific headings and elsewhere threaded across the assessment of the content.

In relation to the key considerations of this impartiality review as posed by the questions: bias, context, range of interviewees, journalism expertise and diversity of sources, the reviewer concluded:

- there is no evidence in its selection or treatment of business stories, from more than 40 hours examined by the reviewer, that the ABC favours a particular perspective
- taken as a whole the business content reflects a rich and diverse range of views, curated by competent and knowledgeable presenters and reporters and packaged in accessible and interesting ways
- there are though some structural problems with how stories with a business dimension are presented, particularly on television, which might lead, on occasion, to a perception that impartiality has been compromised
- the reviewer would not characterise it as either a pro or anti-business bias but rather a failure on occasion to adequately reflect the range of perspectives; if repeated on enough occasions this can amount to a pattern and jeopardise the impartiality of the output
- the ABC's commitment to producing lots of business output on lots of platforms for a diversity of audiences almost inevitably means that on any one day for any one story the ABC can point to where a relevant main perspective has been adequately reflected
- but insufficient attention has been given to ensuring that the political noise which dominates so much of the coverage, on mainstream TV news and current affairs in particular, does not drown out other relevant voices and perspectives
- the ABC employs some of the most knowledgeable and experienced business and economics journalists in Australia, but they are too rarely seen on flagship News and Current Affairs TV programs when a story is at its most active
- TV continues to have the greatest impact as a delivery mechanism for news, but daily news and current affairs output on television does not have the luxury afforded to radio of allowing the range of perspectives the space to tell their story: Canberra is the default storytelling narrative

- one inevitable impact is that stories which have a significant economic or financial impact for Australia are too often approached primarily or even exclusively as political issues, framed and examined from the point of view of their effect on the fortunes of political parties and their leaders
- economic analysis of a policy or of its impact on business is a secondary angle and often not reflected at all: this was vividly illustrated in a major running story during the sample week, which had significant implications for business and the economy; the business perspective in particular was inadequately reflected on ABC TV both on the national news and the daily current affairs programs during the review timeframe
- taking the Canberra option for the daily output is not a difficult choice for program makers because the ABC has perhaps been inattentive in this area and neglected to nurture in its business specialists the particular TV presenting skills to ensure its in-house business analysis is as camera-ready and effective as its political commentary
- these factors combined with an ongoing challenge for the ABC to find ways to engage better with business, have led to a perception amongst some in the business community and elsewhere that it does not care about business, or worse still, that its decisions on coverage are dictated by an anti-business bias
- the reviewer acknowledges that her observations here are at the margins of impartiality; she considers that relatively minor tweaking to the texture of the output on the mainstream ABC TV programs would have a substantial impact on how well the content overall meets the impartiality standard and would address any concerns that the ABC marginalises business and economics
- these fundamental issues apart, the review identified isolated examples of failures of oversight relating to commercial endorsement and undue prominence
- an item heard on capital city radio blurred the lines of impartiality and gave the impression of endorsement of a commercial entity
- accessibility was also a concern: the language used in business stories can on occasion require the audience to have a greater grasp of economic concepts and financial jargon than might reasonably be expected
- the imperative to address accessibility becomes greater as the ABC seeks to drive more business content into its mainstream programming: the ABC is not a specialist publisher and its language of choice for business stories, as well as the framing of the stories, needs to be more inclusive

business and economics are core subjects for the News Division and as the ABC figures out how best to maximise the impact of its journalism in these areas, the Impartiality challenges identified in this review– to increase the diversity of perspectives in mainstream output and to improve the accessibility and relevance of the coverage – need to be central to that strategy

5 Summary of recommendations

- nurture and develop key talent in the Business Unit and/or recruit new talent so that program producers on prime time TV News and Current Affairs programs can make commissioning decisions on editorial merit and not on-screen performance
- improve engagement with business: actively reach out to business leaders: invite them to lunch; consider short staff swaps with industry
- increase awareness and expertise of business and economics issues in the News Division as a whole: Economics and Business Journalism101 masterclasses for non-specialists, perhaps facilitated by the Business Unit
- initiate discussion to ensure that staff share a common understanding of who the business coverage is addressing and what it is trying to achieve
- give creative attention to the look and feel of the regular branded business output on ABC Television: the *Finance Report* and *The Business*
- monitor the output consistently across all platforms to ensure compliance around commercial endorsement and undue prominence issues, particularly in radio
- review editorial oversight procedures governing external commentators appearing on ABC output

6 The content sample 7-13 February 2016

The reviewer watched all business-related content on:

- 7pm news bulletins (Sydney and Melbourne)
- *7.30* and *Lateline*
- *The Business* on News 24 and at 11pm on ABC1
- *Insiders*
- *Landline*
- *Q & A*
- *The Drum*

The reviewer listened to:

- Packages and commentary by Sheryle Bagwell for RN *Breakfast*
- *Business PM* on local radio
- *The Money* on RN
- RN *Drive* Wednesday (Thursday?) business segment
- Business content from *The World Today*
- Business content on radio from every state and territory
- Selected regional radio content from 81 business-related items submitted for the review
- RN *Saturday Extra*
- *Global business* on RN

The reviewer read:

- All business news filed on *News Online*
- Business news content on *Drum Online*
- Business stories on ABC Rural

The review week of February 7-13 featured two running stories which the reviewer considered had significant implications nationally, for Australian business and the Australian economy:

- the Government's announcement that it would not be raising GST
- a stock market downturn indicating Australia was officially in a "bear market" for the first time since the 2011 Greek debt crisis.

The reviewer tracked the coverage of those two stories across all the ABC business output during the timeframe of the review, assessing how it measured up against the Editorial Standards for impartiality, taking into account the nature and type of content and the likely audience. She also identified a coherent sample of content relating to coverage of the energy sector and conducted a similar analysis of that.

6.1 GST and the tax reform debate

At the start of the sample week, on Sunday 7 February, Malcolm Turnbull indicated on the ABC *Insiders* program that GST would not be going up; cash to fund tax reforms would have to be found from elsewhere:

“At this stage I remain to be convinced – or be persuaded – that a tax mix switch of that kind would actually give us the economic benefit you’d want”

The story set the news agenda nationwide for the next two days (although a GST rise was not officially ruled out by the Prime Minister until a week later).

More than 40 items were reviewed across ABC TV, Radio and Online

The reviewer concluded:

- the news that GST would not be going up any time soon was framed on all platforms as a political story; this was wholly understandable
- the received wisdom was that Malcolm Turnbull had junked the idea because it would be too hard to sell politically in an election year; it was a win for Labor who had opposed the rise all along
- but that narrative on its own left unexplained and untested whether the Prime Minister was right to conclude that the economics did not add up: that such an enormous shift in taxation would not be fair, and would not bring the jobs and growth he considered essential justification for a GST increase
- the reflection of that secondary perspective was patchy across the output, and was particularly noticeable for its almost total absence on the ABC’s flagship television news and current affairs programs
- the disparity between the scope of the radio coverage when compared against television cannot be wholly accounted for by the difference in the mediums
- audiences for the mainstream TV programs were exceptionally well-informed on the politics, but there was next to no analysis of whether it would have been a “reasonable” economic policy to raise GST
- television audiences for the flagship *7.30* were teased with a soundbite from an analyst who said:

“The economics of the GST are reasonable; the politics are diabolical”

- in isolation the reviewer would argue that the soundbite confused rather than illuminated understanding; but more importantly she considered that going

beyond it would have deepened the audience's understanding of both the politics and the economics

- Ironically on *Insiders*, where the latest round in the "will he won't he" had effectively started the day before, Malcolm Turnbull himself noted what was necessary to reach an informed decision on the issue, in effect listing the relevant main perspectives which he said "deserve careful discussion":

"You have to be satisfied it is going to drive jobs and growth. And unless you can be satisfied that it's going to do that – and that it is going to be fair of course... then you wouldn't do it.

"What we have been doing is looking at this – and a number of other tax reform changes... very very carefully. They're very complex and they deserve careful discussion ...There've been a lot of contributions: there've been differences of opinion in the Liberal Party, differences of opinion in the Labor Party, differences of opinion in the economic commentariat – and all of that has enabled us to make a very careful and considered analysis of it... and we are coming to a conclusion. But it will be evidence-based, it's not going to be a political decision."

- the economic detail on whether the GST added up was discussed on *Insiders*, which with an audience of close on 500,000 reaches a lot of people, but nowhere near the 1.2 million or thereabouts who watched the news on the same channel at 7pm on that Sunday night – where the narrative was pure politics
- the reaction from business, which would have been the tax collector had the increase gone ahead, and was therefore another relevant main perspective, was entirely absent from the 7.30 the following day. It was only a footnote in the coverage on the 7pm News, which noted in the introduction to its report on the story from Canberra that the business lobby was "enraged"; no attempt was made to explain why, other than this six second soundbite from Jennifer Westacott of the Business Council of Australia:

"The question is, can you get those big changes to income tax, can you get them to company taxes, without looking at the GST?"

- the 7.30 did include substantial economic analysis, at the end of its report from Canberra, on the possible other tax reform options now that GST appeared to be off the table. But as one ABC business journalist commented in conversation for this review:

"most ABC viewers would think economics is a political issue"

- the reviewer considers that to some extent it is, particularly when the story is about taxation – but that does not mean the default story telling of the economics should be exclusively through a political prism

- given that the story had been broken on Sunday morning by another ABC program, there was an opportunity by Monday night to reflect not only the incremental political changes in the story, but as the top line was essentially no different from Sunday, an opportunity too to also reflect additional relevant perspectives

The reviewer considered it would be helpful to look ahead across a broader timeframe to assess whether any of those additional perspectives might have been aired when the political noise had died down:

- the following week when the Government officially ruled out any increase in GST, the tax reform debate shifted to whether they would introduce changes to negative gearing instead. On that day, the *7.30* hosted a discussion on tax policy between the Australian Council of Social Service and the accounting body, CPA Australia.
- and the week after that, *7.30* included a comment on tax policy from a business leader when Leigh Sales put questions on the issue to Wesfarmers' Richard Goyder in her interview with him on results day: the reviewer reflected how much more helpful it would have been had his perspective been available when the decision was announced and would have been a useful counterweight to the loud noise around the politics

Elsewhere on ABC Radio, TV and Online, coverage of the story was more consistently comprehensive and went beyond the political, reflecting a broad range of perspectives independent of the Canberra spin. Some examples:

Radio National (RN) (and News 24)

Interviews:

Jennifer Westacott, Business Council of Australia (also on News 24)

Ken Morrison, Property Council of Australia (also on News 24)

Richard Murray, JB Hi-Fi Chief Executive (why retailers are relieved)

John Daley, Grattan Institute (Tax Reform options)

Prof John Piggott (member of Ken Henry's tax review panel)

Sheryle Bagwell, the ABC Radio Current Affairs Business Editor, in her regular Monday commentary slot on RN *Breakfast*, discussed support amongst business for raising GST.

Drum Online

ABC's Business Editor, Ian Verrender outlined the case for tax reform and discussed the options now open for the PM

There were a number of "op ed" articles written by external contributors:

Paula Matthewson: why Mr. Turnbull was being disingenuous in suggesting it was an economic rather than a political decision

Chris Berg, Institute of Public Affairs: deficits are the wrong time to attempt tax reform

Mungo MacCallum: the procrastinating PM
Greg Jericho: the economic debate has shifted post the dumping of the GST rise

Q & A

The GST rise and the tax reform debate was the first question to be debated on Q&A that week. The discussion inevitably focused on the politics of the decision but also touched on the wider economic issues and included views on whether it was right for businesses to expect a reduction in tax, when so many were paying less in corporation tax than their employees were in income tax. The panellists were a trade unionist, a Labor minister, journalists from the right and left in the media and a Senator for the Nationals.

The Drum

This was a panel discussion with three commentators: Sydney Morning Herald (Laura Whelan), Rev Michael Jensen and Guardian Australia (David Marr). Panellists touched on a range of areas including why GST is a regressive tax, that any discussion about tax reform should reflect that it is about spending priorities, acknowledging the differing perspectives of business and consumers. Judith Whelan noted there had been too much rhetoric heard, "we need the complexity not just the tag line"; Rev Michael Jensen said we should be paying more taxes and paying them "joyfully".

While recognising the discussion on *The Drum* offered a fresh perspective on the topic, the reviewer noted it was not a politically balanced panel and was surprised that all three commentators represented organisations and/or reflected positions which are broadly on the left of politics

Radio and Regional

Perth, Adelaide, Canberra, Brisbane and Melbourne all devoted airtime to discussing the economics of the tax reform story with a range of analysts, economists and academics. Slots were packed with information explaining the macroeconomics but also what the various options now apparently being considered by the Government might mean for listeners: as taxpayers, business owners and consumers.

In Gippsland, Cairns and Newcastle listeners to ABC Local Radio heard from some of the same economic commentators and also debated the issues through phone-ins and tweets.

Conclusion

- on this limited case study of its coverage of the GST debate in the sample timeframe, the reviewer concluded that the ABC over delivered across the network against all the relevant measures of impartiality; it more than met the tests set by the questions posed for this review
- but because the flagship TV News and Current Affairs programs are so front and centre of the public's perception of where the ABC sits on the spectrum

of impartiality, they are inevitably the areas which receive the most scrutiny and the ABC cannot rely on its broader programming to address perceptions of balance

- if the ABC so consistently heroes the politics and serves the economics and business as sides – particularly when any given controversy is at its height - it is not surprising that there is a perception that the political narrative is given undue prominence, drowning out other relevant perspective
- as noted in the summary of key findings, relatively minor tweaking to the texture of the output on the mainstream ABC TV programs would have a substantial impact on how well the content overall meets the impartiality standard and would address any concerns that the ABC marginalises business and economics

6.2 Market Downturn

The reviewer considered a second running story, which did not have a political dimension and in which the ABC's expertise and resources in business and economics journalism could expect to be showcased.

Australian shares' descent into a bear market, for the first time in five years, was covered extensively by the ABC's business specialists at a national level; it was also reflected in a number of segments on local radio stations, most of whom used analysts from brokerage firms to guide listeners through the story.

The downturn in global markets was the lead story on the 7pm News on the Wednesday, and mid-bulletin on Thursday and also on Friday, when the Reserve Bank Governor commented in evidence to a parliamentary committee that big investors were "dropping their bundles".

It was also the beginning of the mid-year reporting season, in which companies report their profits to the market and the often elusive chief executives were available for interview.

55 items were considered for the review. The reviewer noted:

- the coverage overall was comprehensive, informative and on many occasions exceptional in its clarity and in providing context crucial to the audience's understanding of what was happening
- ABC Radio again stood out, particularly the Current Affairs output on RN: as well as setting the share movements in both a global and domestic context its two most senior business journalists, Sheryle Bagwell and Peter Ryan, each explained the story in terms that made complex financial content accessible to a general audience where some might otherwise struggle to understand, conveying complex information without losing listeners along the way
- theirs were among many items across the broadcast network and online platforms that managed to neither underestimate the audience's interest nor overestimate its understanding

- one example was a skillful posting in *Drum Online* which teased out why the shockwaves in Australian markets might reflect more than a *Big Short* inspired panic – or “markets dropping their bundles” - and instead presage a longer term structural issue, given Australia’s close ties to the slowing Chinese dragon.
- there were though some over-excited commentaries by external analysts from brokerage houses heard in market reports on both radio and television, with one stating that a number of European banks had been “absolutely destroyed” and another saying there was “blood on the streets”
- one external analyst rounded off his commentary by recommending it might be a good time to go into cash; the reviewer does not consider that the ABC is the appropriate platform to dispense casual investment advice in this way
- these few examples – which the reviewer would stress were no more than a handful - contrasted with what was generally a more measured analysis heard across the week from the ABC’s own commentators
- not all ABC staff output though measured up to the best examples: the reviewer noted occasions where financial jargon was scattered about without any effort to explain what terms meant; so prevalent was the unexplained jargon across all platforms that the reviewer made a particular note on the rare occasion when terms such as those below were explained:

negative interest rates
correction
impairments
bear market

- in the context of this particular story, where the top line in a number of bulletins was that Australia was now “officially” in a bear market, an audience understanding of what is understood by the term would appear to the reviewer to be critical to its understanding of the issue; the same might be said to apply to references to “negative interest rates”
- best practice was noted in an interview on Melbourne radio with *The Australian’s* James Kirby who gave an admirably clear explanation of what a bear market was, setting what was happening in an Australian context
- the reviewer was surprised that although the 7pm News featured the story, across the week, neither of the ABC’s daily flagship TV current affairs programs (*7.30* and *Lateline*) included the story in their line ups
- in conversations for this review the Executive Producer of *7.30* was asked why: she explained that the program had covered the story extensively last year when the market started to fall and it was felt it would essentially be the same story if they were to feature it again
- it is a legitimate exercise of editorial judgement for a program to decide whether it wishes to cover a particular story; as current affairs programs neither *7.30* or *Lateline* has a remit to reflect the range of stories in the way a news bulletin might be expected to: they are intended to complement the news bulletins and pursue other angles and other issues, not to replicate them

- nevertheless, the reviewer notes that such judgements can impact on perceptions of impartiality and that the ABC Editorial Policies state one of the hallmarks of Impartiality is (to provide):

“opportunities over time for principal relevant perspectives on matters of contention to be expressed”

Conclusion

- the regular use of external analysts to provide business commentary complements the ABC’s in-house expertise by providing different insights and creative texture and is a prudent use of resources
- it would generally be understood by the audience that their views are not those of the ABC’s
- but some of the relatively minor issues identified in the coverage of the markets story flagged up for the reviewer the importance to the ABC of retaining editorial control in this area: it must monitor more closely those occasions where it invites others to inform its audiences and to provide feedback and guidance as necessary; the reviewer suspects this is not done enough
- there was a widespread failure to explain industry jargon with any consistency, particularly in non-specialist business output, the reviewer suggests that the ABC needs to consider who its business coverage is aimed at
- whilst in conversation with ABC staff for this review it was emphasised to the reviewer that even the specialist coverage was intended for a general audience, that is sometimes not the impression formed where language is considered as one of the measures of accessibility
- One of the strengths of the ABC’s news and current affairs division is the distinctive identities of individual programs; it is only possible to achieve that by investing in program makers the authority to decide what goes in their program each day.
- but alongside that creative freedom comes a broader management responsibility to monitor the output consistently: effective oversight ensures that isolated misjudgements such as those identified here regarding language, accessibility and style can be dealt with quickly and lessons can be learnt and applied to the benefit of the ABC’s journalism as a whole; it is assumed that this already happens in some form, but possibly not systematically enough

6.3 The coverage of coal and renewables

There was not a specific energy story in the review timeframe which lent itself to analysis across the platforms in the way the tax debate and the markets story did. But across the business content overall on the ABC in the second week in February, energy-related stories featured prominently; the reviewer considered it would be appropriate to attempt some analysis of how the subject is treated.

She was further prompted to do so when reading the content of submissions to the review from three of the entities which provided responses. She noted also the audience log of complaints about business coverage, in which complaints about the ABC's coverage of the coal industry predominated in the months prior to this review.

The reviewer considered an assessment of the energy-related stories which fell within the review timeframe gave her an opportunity to assess whether there is likely any truth in the charge made by some, that the ABC is not impartial in reporting this sector of the economy.

6.3.1 Review submissions

The Minerals Council of Australia summarised its position thus:

“We do not contend that all ABC business coverage is loaded or biased against the minerals sector... We do believe that the coverage of the mining industry has fallen short of ABC standards, and that an objective person would conclude that significant elements of the ABC's coverage of the coal sector have lacked balance and impartiality

The reviewer noted the following points as representative of the points raised in the three submissions which focused on the ABC's coverage of the energy sector, and coal mining in particular:

- ABC news and current affairs coverage is “hostile to business”
- too often running stories are reflected through a political and environmental prism featured (a number of recent examples were supplied which the Minerals Council said supported this contention)
- minor critics of the industry are often promoted as the consensus community view with little or no effort to gather the opposite side of the story

“there seems to be a reflexive view that environmental activists are right and the industry is wrong”

- the attitude to mining and non-renewable energy businesses was of particular concern
- the ABC pursues or allows itself to be a party in the pursuit of political campaigns against sections of the business community
- of 170 recent stories which the Minerals Council of Australia said it had reviewed, it assessed that fewer than 5% could be regarded as “neutral or positive”
- even accounting for the downturn in commodity prices and job losses the Minerals Council said:

“it is (not) plausible that objective and impartial coverage of a major industry sector – that contributes about 2 or 3 per cent of Gross Domestic Product – would have such a negative tone

- there was particular criticism of *Four Corners* as having “a well-established record of campaigning against the mining industry”
- the program was identified as having devoted 13 episodes to the sector in the last five years and the assertion was that all had been negative or largely negative in tone
- it was asserted that analysts are often described as “experts” or “independent” when they have a long history of opposition and actively campaign against the coal industry (examples supplied)
- there was too much focus on negative and sensationalist stories at the expense of significant business events with substantial long term economic benefits
- it was considered that the ABC puts a lot of effort into promoting the environment: why there was no energy blog given that the environment has its own homepage, blog and Twitter feed?
- energy news is listed as a sub-category of environment news and although there is an ABC mining news portal it is buried on the ABC Rural homepage
- in its submission, Roy Hill Mining pointed to a major recent investment it had made, noting the substantial economic benefit which would derive to Australia:

“Greenfields projects of this magnitude require a formidable combination of vision, perseverance, entrepreneurial flair, hard work over many years and risk taking along with the ability to marshal a massive array of resources, technology and billions of dollars to invest in Australia. These are qualities that have been the key drivers of Australia's economic wellbeing.

“In short, overcoming considerable odds against often uncertain and challenging investment and trading conditions, including thousands of expensive, time consuming and risky government approvals, permits and licences.

“Such mega projects make substantial contributions in terms of direct economic revenue streams, jobs and training, the development of new and innovative technologies, and significant flow-on benefits throughout the country, raising living standards...These have potentially wider applications across the economy, but these types of positive developments receive little or no reporting by the ABC.”

The reviewer noted the content of a report on the ABC's coverage of the coal mining industry which was conducted for the Institute of Public Affairs in 2014. The report concluded that the dominant message broadcast by the ABC about CSG and coal mining was that the industries have a negative impact on the environment. The Minerals Council attached the 2014 report to its submission to this review and highlighted this paragraph:

“These dominant messages far outweigh any assessment of the economic benefits of coal and CSG. By contrast the dominant message broadcast from the ABC was that renewable energy investment should be prioritised. Coal

and CSG were positioned by the ABC as harmful and renewable energy positioned as beneficial.”

6.3.2 Audience log

There were a number of complaints in the audience log about the *Four Corners* episode “Iron Man” (July 2015) profiling the WA miner Andrew Forrest. Complainants said the program was “ill-conceived”, “biased”, “anti-mining”, a “hatchet job by the eastern states”. It suggested, said many, an agenda against business and high-achievers with the mining industry as the real target, “the program is simply another attack on mining using Forrest as Trojan horse”, said one complainant.

The reviewer notes that Mr. Forrest’s mining interests are in metals rather than coal, but as some of those who complained suggested the ABC’s approach in the program was motivated by a more general anti-business and anti-mining agenda she considered it appropriate to register their comments in this section.

None of the complaints were upheld: the ABC Audience and Consumer Affairs, which deals with complaints independently of the program makers, rejected the allegation of bias and explained in its detailed finding how the program had achieved due impartiality, summarising its view:

“Mr. Forrest is a controversial figure in the mining and business world and the program found he has both strong detractors and supporters. The report presented the perspectives of both, as well as noting his extraordinary achievements.”

It is not within the remit of this review to consider the *Four Corners* program anew, as it is outside the sample timeframe, as also is another *Four Corners*, “The End of Coal?” (June 2015), which also featured in the audience log of complaints. Nevertheless, the reviewer watched both programs and noted the concerns raised by correspondents in the audience log. She considered that on each occasion the ABC had provided adequate and reasoned responses to the points made.

It would also have been outside of the scope of the review to conduct a detailed point by point analysis of the submissions from stakeholders, which raised similar issues to those registered in the audience log. She did read the submissions and took note of the substantive points. She decided the most appropriate and proportionate approach would be to consider the points raised by viewers and stakeholders in the context of her assessment of energy-related content in the sample week. The reviewer acknowledges this will be a disappointment to the Minerals Council and the Institute of Public Affairs in particular, but stresses her motives in adopting this approach were both to retain a sense of proportionality, given this is a review of business coverage as a whole, and also to maintain the integrity of the review by focusing any detailed content analysis on material which was aired or published during the randomly selected sample week.

6.3.3 The sample

The reviewer considered 16 energy sector related items which featured in the ABC output in early February 2016 (versions of the items were also uploaded to the relevant web pages of ABC Online:

ABC TV

The Business	BHP Billiton under pressure to cut dividend payouts
The Business	LNG on the backburner
The Business	Interview with AGL CEO

RN Current Affairs

AM	Fracking a big issue for NT election
The World Today	Resources Council says many coal mines are running at a loss
The World Today	Senate inquiry looking into black lung disease in the coal industry
PM	Response from Government and environmentalist to coal industry plea for help

Regional and Local Radio

VIC	Hazelwood mine inquiry report
Brisbane	Mining downturn special
Hobart	fault
Pt Pirie	Solar panel project funding fails
Pt Pirie	Waterloo Wind Farm developer
Broken Hill	Wind farm at Silverton
Karratha	Mining worker shortage
Rockhampton	Coal jobs
Wollongong	Local coal company future

The reviewer considered a summary of the criticisms which had been levelled at the ABC's coverage in comments in the audience log and in submissions to the review:

- failure to adequately reflect pro-mining voices resulting in an imbalance of views
- failure to reflect the economic significance to Australia of the energy sector, and mining in particular
- an overly negative framing of stories about coal mining
- approaching stories through an environmental prism
- failure to scrutinise the claims of environmentalists
- failure to identify when a contributor is associated with a particular viewpoint

The reviewer noted that two submissions made the point that people living in rural and regional Australia were particularly reliant on the ABC as their main source of news, and that it placed an added responsibility on the ABC to be accurate and impartial.

The reviewer found that regional radio output met that challenge: geographical proximity to the story allowed for a sophisticated treatment of the issues and resulted in a more nuanced debate than might be expected had the content been aimed at a statewide or nationwide audience, which may be less familiar with the issues and have less stake in the outcome.

- there were no black and white conclusions, no trite soundbites
- questions were well-informed and sensitive to the concerns of the local population and interviewees reciprocated with thoughtful and refreshingly honest responses
- the reviewer did not find anything in the stories reviewed which might substantiate the concerns raised in the audience log and in submissions.

She found the opposite to be the case:

- there were a number of occasions where the presenter emphasised coal mining's importance to the local and national economy
- there were intelligent discussions reflecting the increasing need for renewables
- but also realistic assessments of the degree to which coal is still essential

Three examples reflect the tone of the coverage. The first extract is from an item about upcoming job losses around the Illawarra; the interviewee was a coal analyst, Andrew Harrington:

PRESENTER

Is there environmental pressure on the coal industry? It seems to me the overwhelming majority of power is still generated by coking coal

ANDREW HARRINGTON

There is a lot of pressure on coal from the perspective of environmental regulations in terms of not just developing a mine but also ongoing pressure from greenhouse gases in terms of power station emissions and a lot of pressure coming from green energy so it's a tough environment for coal in general. Demand for electricity is going down as well and that has a direct impact...

PRESENTER

I've heard it said from people with a green agenda that coal is a dying business and we just have to face that and move into renewable energy. Is that true or is it just a business which is going to have to move to areas where production is cheaper?

ANDREW HARRINGTON

Coking coal is definitely not a dying business – if we want steel you need coking coal – there is no alternative

PRESENTER

You can't do it with gas or electricity - which is going to be produced by coal anyway – to put carbon into iron to make steel you have to use coal

ANDREW HARRINGTON

If you want modern civilisation – with buildings and cars – you need coking coal. Thermal coal is a different beast but it is still the cheapest source of electricity. And despite all the pressures from climate change and taxes and solar panels ... at some point someone somewhere will want it.... Look at power station build out programs in Asia, the Philippine, Malaysia, India and Indonesia, their focus is on coal power stations, not gas power stations or nuclear power stations, it's on coal power stations.

The second item was a discussion about a project to construct 77 wind turbines on land near Orange in New South Wales. The interviewee was a landholder who had agreed to site some of the turbines on his land. The item reflected a balanced view of how wind farms fit into the larger energy picture, prompted by the presenter's line of questioning, as illustrated in these extracts:

PRESENTER

It's been quite controversial. Would it be fair to say it's been quite a divisive issue around this region?

LANDHOLDER

Yes it has been divisive and one of the things we were warned about by the developer was that it is a polarising issue. I don't think it's the majority position, there's big support for renewable energy around the country and there were people here speaking at the meeting, not from nearby. Most of the farmers involved with infrastructure are in favour because of the obvious benefit

PRESENTER

...How do you envisage the compensation could benefit your operations?

LANDHOLDER

...I can make an improvement to infrastructure on my property. Wool has not been great over the last few years. Things like fences, woolsheds all suffer if you haven't got enough capital to invest

PRESENTER

Do you have any concerns about noise or potential health impacts?

LANDHOLDER

None at all. We have a lot of noise around our property... there's a lot of traffic noise on our road with tourist coaches and motorbikes travelling... in a way that's a good noise because it means tourist income

PRESENTER

You make an interesting point about the need for renewable energy generation. Tell me about the role you think this region needs to play in that

LANDHOLDER

It's part of the big picture. Renewable energy from wind and solar will become increasingly needed as time goes by; fossil fuel burning for our generation is on the nose and this really is just part of the big picture

The third item was on local radio in Brisbane, which featured a 25-minute special on the mining sector in its drive time program. That morning the Queensland Resources Council has asked for assistance from the state Government to reduce miners' royalties and license payments, because the Council said a third of coal mines were operating at a loss and 60,000 jobs were at risk. One of the interviewees was Professor John Rolfe, a resource economist at Central Queensland University in Rock Hampton:

- he gave a measured assessment of the challenge facing mining companies and noted that they were under real pressure and feeling the pain
- the presenter asked him whether it would be good value for state and local government to effectively transfer taxes back to the miners
- he said it might be if the problem was short term but that all the indications were that this was a long slow downturn in the mining sector; it would pick up over time but it might be another few years and that would be a very long time for the state government to bankroll an industry

The network coverage of energy issues on Radio Current Affairs and on ABC TV was in the reviewer's judgement equally responsible and balanced. Two items from the same day, on AM and PM, were typical of the coverage the reviewer found across all the items in the sample.

- The Queensland Resources Council request for assistance to the miners was covered in both the morning and evening programs, both of which included contributions from the Resources Council
- a trader in Moranbah told the ABC he was sceptical of the claim that the miners were losing money, noting that the value of coal exports had risen in the last 12 months, mainly due to the weaker Australian dollar
- the presenter challenged him, stating that tens of thousands of jobs were dependent on mining and that in Moranbah lots of residents had left, hitting the economy; she asked how he could reconcile these facts
- on PM later that day the story had moved on: the Queensland Environment Minister had responded to say that the state Government relied on royalties from the mining companies to pay for roads and schools and hospitals
- the economist for the Australian Conservation Foundation (the only environmentalist voice in the 16 sample items) said the mining boom was over, coal was bad for the environment and transition plans were needed to help workers move into other industries. "It is indisputable that coal should be an industry of the past", he said
- the presenter responded to the comment by putting the Resources Council's argument that mining is cyclical and that one in every six jobs in Queensland is dependent on mining
- the reviewer analysed the relative time allocated to the two main perspectives:

- direct contributions from the Resources Council explaining the need for assistance, as well as commentary in the script reflecting the miners' view, accounted for a little over half of the overall airtime;
- the alternative view on this occasion, put by the Queensland Government and the Conservation Foundation, accounted for slightly less than half

ABC TV's specialist program *The Business* (about which there is a more detailed analysis in the next section) featured two energy-related items in the sample timeframe. The first was a news report that the current global oil price of less than \$30 a barrel was hitting Australia's LNG business particularly hard:

- the reporter presented a detailed analysis: while generally gloomy, the reviewer considers that the weight of evidence suggested this was an accurate assessment
- the report included sufficient context for the audience to appreciate the importance of the industry, noting that Australia is set to be the world's largest processor of LNG by 2018
- the report featured an analyst stating that the outlook for the future was more positive, because the current low oil price was unsustainable and the economics of supply and demand meant that it should rebound;
- there was an archive clip of the Energy Minister Josh Frydenberg stating that LNG will pay big dividends in the future

The second item was a main program interview with the CEO of AGL, Andy Vesey, in which he defended his decision to pull out of a planned coal seam gas (CSG) project in NSW and went on to outline the company's plans to invest \$200m in a diverse range of renewable energy projects:

- Mr. Vesey said the project was not feasible because the finances did not add up but that the decision to pull out had been difficult because he claimed the project had 50% local support in the community and would have brought \$1bn of economic investment to the area
- the interviewer questioned whether the decision was purely financial, she put it to Mr. Vesey that it was as much about brand and reputation, noting that at that moment there was a protest outside the building where the interview was taking place, against the company's other CSG project in NSW
- the interview went on to discuss AGL's \$200m "new energy fund" in which Mr. Vesey made the point that for technologies like solar to be viable and attract private investment the wholesale price needed to be right and that relied on the early and progressive closure of older and dirtier (cheaper) coal-fired plants

Whilst noting that none of the items in the review sample indicated that allegations of institutional bias against coal mining and CSG were well-founded, the reviewer acknowledged that in the review timeframe none of the ABC's flagship programs discussed energy issues.

She raised the general issue of business participation in ABC content with the Executive Producer of 7.30. The mining companies were not especially difficult to engage, she said, and in some cases were quite willing – depending of course on what the story was that they were being asked to participate in.

The EP said that the program was in the process of putting together an item on CSG and that they were hopeful of getting good cooperation. But by contrast they had made repeated efforts to get access to Adani “for years” to talk to them about their Galilee Basin coal mining project in Queensland but “they won’t talk to us”. She considered it was an issue that went wider than just the miners, that CEOs in general were “frightened of mainstream audiences” and, she said, it needed a paradigm shift from business. But the EP also acknowledged that there was work to be done on the ABC’s side, that its journalists needed to better understand business and economics and that there was a need to open a dialogue with business.

The reviewer put a similar question to the ABC’s Head of Current Affairs, he acknowledged that there was space to improve the quality, but not necessarily the quantity, of its business coverage. But he rejected the charge that the ABC had a tendency to report energy stories through an environmental prism. He recalled a counter-intuitive program in the Four Corners strand from some years ago, “Whose afraid of Nuclear Power?”:

“I think there's room for more varied and lateral coverage of resource/mining industries - and the old example I gave was one that stands out personally because I recall it from my time as an Executive Producer. There was an environmental side to that piece because there were then and still are environmental voices arguing that nuclear power provides a low carbon option for base power. And that argument tends to be overwhelmed by the clamour around nuclear waste and plant accidents. That story was trying to look at all the issues including cost and safety dispassionately.

Conclusion

He highlights well the problem when the narrative favoured by the media as a whole is most often the one that reflects the polarised views or the extreme examples, and not the area in between where much of the real debate which informs policy is happening. The content in the sample generally reflected some excellent examples of best practice in avoiding that trap.

The reviewer notes that it is the ABC’s responsibility to reflect the world as it is: coal mining and the commodities sector in general have been in a downturn for the last few years and it is inevitable that the ABC’s coverage of the sector will reflect that.

Similarly, there is a general consensus around the need to decrease Australia’s reliance on fossil fuels for environmental reasons and to increase investment in renewables. She would expect the ABC’s coverage to reflect that sentiment too.

The reviewer noted the ABC’s Editorial Policies which refer to “a balance that follows the weight of evidence” as one of the hallmarks of impartiality. The reviewer

considered that leaving the audience with the general impression that CSG and coal mining have a negative impact on the environment would likely be consistent with that requirement.

The ABC nevertheless needs to be able to support its contention, to fairly represent opposing views where they exist and to include sufficient context so the audience can judge what weight to place on the environmental impact of coal, considered against other relevant factors. The purpose of the analysis here was to decide whether the items in the sample met this test.

The reviewer was encouraged to find that in the random sample not only did the items meet the requirement for impartiality but that they were also, in her opinion, models of balance. Had this not been the case the reviewer was prepared to look beyond the review timeframe, and would have found a way to follow the weight of evidence. The reviewer hopes that those who made detailed submissions about the ABC's energy coverage accept this was a valid approach. She hopes that they also find some encouragement in the review findings.

6.4 *The Business* (ABC News 24 and ABC1)

The Business is the only program branded explicitly as business content on ABC television. The editions are 15 minutes long (reduced from 30 minutes last year). It is broadcast live on News 24 at 4.30pm Monday to Friday and repeated with a new introduction at 8.30pm; the largest audience for *The Business* is when it is aired for a third time on ABC1 at 11pm, directly after *Lateline*.

The reviewer watched all the shows during the sample week: a red carpet of senior business leaders was rolled out in front of an ABC camera to be interviewed by the program.

The line up was impressive: there were interviews with the CEOs of Commonwealth Bank, JB Hi-Fi, AGL, Vodafone Global and Virgin Australia. These are the very captains of industry who the reviewer has identified elsewhere as in short supply on the ABC's flagship TV output in business related stories that week.

In conversations with ABC business staff the reviewer was frequently told that business leaders generally decline to appear on the ABC when invited and that they were particularly reluctant to face questioning on ABC TV's flagship news and current affairs programs.

It makes *The Business*' achievement in securing those interviews all the more impressive and left the reviewer wondering whether the ABC could harness the goodwill in the business community that clearly exists towards the only specialist business programme on free-to-air TV, and leverage it to encourage business' participation in what are clearly perceived as the higher risk outlets such as *7.30*.

The Business team was moved out of Current Affairs and into News last year; the reviewers understands that the purpose of embedding the program (along with the rest of the Business Unit) under the news umbrella was for the content it produces

to be more widely aired across all the outlets rather than being siloed into one program. The reviewer considers this was a good decision in so far as it will help achieve greater prominence for business across the ABC. But while the ambition is good, she considers there is still some way to go in realising it.

It was not just that none of the material in *The Business* appears to have been aired elsewhere (apart from on *News 24*), but also that, despite a number of headline business stories in the sample week, the CEOs interviewed for *The Business* were not asked to comment on anything beyond their own company results and related industry matters (Ian Narev being asked about the sudden sharp downturn in the markets was an exception).

The incorporation of the program into News has the best chance of producing results if it is a two-way street, where News as a whole can learn from the specialist team and draw on their expertise and contacts, and *The Business* team can sharpen their news antenna by being more integrated in the news planning and thus improve their responsiveness to news developments.

The reviewer considers the ABC could have made much better use of the access *The Business* had secured with some of the biggest names in Australian business: none of the program's guests that week featured on the 7pm News or 7.30 or *Lateline*. Why for example wasn't the interviewer asked to throw a question to her Monday guest, JB Hi-Fi's Richard Murray, on the GST story for example; it would have given ABC news outlets something other than the Business Council of Australia from 8am to freshen up its bulletins? Over at AM on Radio National Peter Ryan spent the first few minutes of his interview with JB Hi Fi's Richard Murray discussing the GST story and the tax reform debate.

As with many of the other comments in this report, these observations are at the margins of impartiality, but indicate that the ABC is perhaps not making the best use of its limited resources and not giving adequate consideration to business as a relevant main perspective to be reflected in mainstream output, but instead siloing business stories and business leaders too often into its less-watched specialist output. The reviewer's instinct is that producers on the main news and current affairs output do not generally view *The Business* as a potential newsgathering resource and are therefore missing another opportunity to engage with business and to demonstrate the ABC's interest and investment in that area.

The reviewer was also not clear as to the target audience for *The Business*. The interviews with the CEOs were generally interesting and informative, but focused heavily on dividends, market share and investor concerns; when customers were discussed it was in abstract terms, such as "consumer sentiment". The framing of the questions and the interviewees' responses left the impression that this was purely business talking to business.

While the topic focus was editorially justified, given that most of the guests were being interviewed on the day their companies were announcing their interim results, it is still surely important to engage the widest possible audience, whatever their existing level of understanding of or involvement in business and finance.

The reviewer was particularly struck by the content of the interview with the CEO of Vodafone worldwide. A significant portion of the interview discussed the company's strategy and challenges in their European markets and it was only in the final two minutes of the five-minute segment that the interview got round to discussing the market here in Australia. The interviewee had tried to steer the discussion to Vodafone in Australia a few minutes earlier but the interviewer didn't let him and said "Let me come to Australia in a minute, just sticking with Europe..." She then went on to talk about BT, EE, Orange and Deutsche – none of whom are players in Australia. The most interesting point to come out of the interview from an Australian perspective – and which the interviewee only managed to get across at the very end - was that when the NBN is finally fully rolled out Vodafone intends to be in the market alongside Telstra, selling fixed line products. The reviewer again acknowledges that editorial content is a matter for the ABC and does not necessarily directly engage the Editorial Standards, and that the interviewee was the Global head of Vodafone, but an opportunity to discuss a relevant main perspective to a domestic audience, perhaps in this case consumer choice and the NBN rollout – was not taken.

The business to business framing of the interviews was reinforced by the unexplained use of acronyms by the interviewer. In the Vodafone interview the interviewer referred to the CMA (the UK Competition and Markets Authority). Good practice would have been to spell it out, which would have helped the less well informed amongst the audience to stay engaged. In the interview with the Chief Executive of AGL the presenter referred to the acronym R-A-T, without any explanation as to what that meant (it is shorthand for "renewable energy targets").

The guests on the program in the sample week all represented companies which employ a large numbers of Australians; they all also happened to be business to consumer enterprises. So potentially all ABC viewers should find something in the interviews of interest. The reviewer therefore considers it unfortunate that with the exception of the business community and global investors, there was little encouragement in the framing of the interviews for other stakeholders to consider that the program might be for them too.

It was not only the reviewer who had difficulty understanding the remit of *The Business*, there was also a lack of clarity within the ABC. Everyone the reviewer spoke to had a different view as to why it existed and what it should be doing. One member of the News Division said it was aimed at "as broad an audience as possible: the ordinary Australia Investor, retirees, readers of the *Fin Review*, *CBD*". Another stated that in their view there was too much emphasis in the program on dividends and superannuates, that the subject suffered from over-financialisation. As one ABC news executive reflected, the ABC is not a specialist business publisher: a program about business does not mean a program for business.

The program clearly had the stuffing taken out when its slot was reduced by half and some of the resources reallocated. The reviewer was advised this enabled the ABC to make better use of its business budget by weaving money across the content and investing more broadly in business coverage across more platforms. The

reviewer has been given to understand that to facilitate this outcome, a Business Editor was appointed with the initial brief to turn the online business pages into a serious offering to compete with other digital business content. Figures supplied to the reviewer suggest this has worked; the business pages show a sharp upward trend around the middle of last year. There has also been new investment in a dedicated reporter/presenter for News Breakfast.

Conclusion

The Business is a potentially powerful weapon in the ABC's business armoury, but does not often enough get out on parade. Conversations with news managers gave the impression they would like to take the program up a notch or two, but perhaps have put it in the too difficult and not urgent basket. That is a pity.

Instead of seizing the opportunity necessitated by the budget cut to start with a clean sheet and invent a whole new program, better suited to the tighter timeframe and more frequent airing, the ABC has effectively been trying to simply put out an edited version of the old program on far fewer resources.

Yet whilst there is understandably some concern that the next attention *The Business* gets will be to axe it altogether, the reviewer was struck by the sophisticated understanding at all levels of the organisation of the challenges the ABC faces - and an enthusiasm to make the most of available resources – nowhere was that positive energy more obvious than from *The Business* team itself.

6.5 Landline

Landline airs on ABC TV at noon each Sunday with a remit to cover rural and regional Australia. Several ABC executives pointed the reviewer towards *Landline*, suggesting that although it is not branded as business output, it makes some of the best business coverage on the ABC. The edition in the sample week featured items on drought in the Darling Basin filmed in NSW, the rising demand for Australia's version of Manuka honey, also filmed in New South Wales, and an item about how an initiative funded by the Queensland Government is encouraging farmers to utilise technology to improve yield. Each of the films featured Australia's vast and beautiful landscapes, were packed with scientific, agricultural and horticultural facts and also set out clearly the economic story.

The reviewer found it refreshing in a week of largely gloomy and negative business headlines, to encounter content relating to business and the economy that was on the whole positive. She noted in particular the accessibility of the items: the viewer did not need to be in business or live rurally to enjoy the program. But more importantly she recognised that *Landline* played a crucial role in not only providing a quality free-to-air program that spoke to Australia's rural population but also that it brought their story to urban dwellers. The reviewer was struck by a comment from someone she met during the course of the review who owns a factory in Melbourne. He is in his mid-thirties and said he was a regular viewer: "Landline is about our country", he said, "I care about Australia and want to know what's happening and it does that for me."

The reviewer noted a complaint in the audience log in July 2015 that *Landline* was not featuring stories from Western Australia. The complainant said:

“A quick review of the Landline archives reveals just three stories about WA agriculture over the last four months, and those three were all based in the Kimberley! In anyone's language that reflects a serious imbalance in coverage given WA's contribution to Australia's agriculture economy and that the ABC is a public broadcaster funded by the taxpayer! This is just not good enough.”

The ABC said in response:

- WA makes an important contribution to Australian agriculture
- the complainant had correctly identified a shortage of WA stories over the preceding four months
- a number of stories from across WA were in production
- the aim was to achieve geographical balance over the course of the season

The reviewer looked at the geographical spread of stories on *Landline* from July 2015 to February 2016:

- she logged only those items which were predominantly location based (she excluded market reports, weather forecasts and interviews with academics where the location was not relevant to their participation)
- the majority of the items in the survey qualified as business coverage; the reviewer included one or two where the business angle while not the main focus, was still present
- the reviewer analysed 81 items to get each state's share of coverage on *Landline's* to the nearest whole percentage point:

	NSW	VIC	QLD	WA	TAS	SA	NT	ACT
% of items	19	16	25	11	14	8	2	1
% pop	32	25	20	11	7	7	2	2

The reviewer noted the following:

- according to the World Bank, in 2015 the rural population of Australia represented around 11% of Australia's total population
- in 2009 the Australia Bureau of Statistics said 75% of the rural population of Australia lived in New South Wales, Victoria or Queensland
- 60% of Landline items were from those three states
- also according to the ABS, the highest ratio of rural to urban dwellers is in the Northern Territory (32%), Tasmania (27%) and Queensland (21%)

The reviewer concluded:

- story selection should be on merit rather than to fulfil a quota; Australia is one country and while *Landline's* aim for geographical balance is admirable

and a good starting point it should not be the only or primary consideration in assessing whether the program is fairly representing the issues in regional and rural Australia

- many if not most of the stories filmed in, say, Victoria or Queensland would be as relevant to audiences elsewhere in the country: choosing to film more stories from one state than another would not in itself indicate a failure of balance
- the reviewer noted that the shortage of WA stories identified by the complainant was rectified over the following months, in line with the assurances given to him by the ABC

6.6 Other coverage of business in the sample

The reviewer was struck by the broad range of business content which collectively told Australia's story across the ABC's multiple genres and platforms. The richest and most diverse seam of stories was the 80+ features in regional radio: they included a report on a hairdresser shortage in New South Wales, a trial of kangaroo pet food in Ballarat and an item about selling the family pub in Kalgoorlie.

Outages on the Telstra network across Australia affecting millions of customers were discussed across the ABC network. The review listened to a sample of the items and noted the care which was taken to give accurate information about who was affected, why it had happened and what Telstra said they were doing about it.

There were 35 business and economy related news features on the three daily radio current affairs programs across the week (AM, The World Today, PM). The reviewer listened to some of the output and read the transcripts. Two themes predominated: concerns about the stability of the Australian economy in the context of the global economic slowdown and the ongoing pressures on the energy sector as the impact of the commodity downturn continued.

Whilst *7.30* and *Lateline* might not have covered the particular stories selected for detailed analysis, both programs covered other business stories during that week. The reviewer noted in particular two business features on *Lateline*: the first was about a networking organisation for female computer coders in Australia; the second was a panel debate about gender diversity in the workplace with two female guests – the CEO of a not-for-profit, Girls in Tech. and the Global Head of Diversity and Inclusion at Atlassian. The panel discussion in particular was intelligent and thought-provoking, starting with the presenter Emma Alberici tackling the challenge of audience inclusivity head on: "So a lot of people watching this program would rather turn their TVs off than sit through a discussion about gender diversity. Why is it important that they don't do that?"

7.30 ran a story criticising the IVF industry for making overly aggressive claims of success which was unsupported by evidence, and a second business story from Tasmania about the threat to the Australian oyster industry from the spread of the Poms virus.

The business pages of ABC Online are a reasonably comprehensive resource of latest news, markets and currency information and reflective commentary and analysis. It is also the home for longer form versions of interviews and a good portal to the ABC's extensive archive of audio, video and archive. Commentary from members of the Business Unit and from independent commentators on business and economic matters, published in the Drum Online section, features regularly amongst the top ten most viewed pages on ABC News Online

The Business pages of the website rely for most of their content on material contributed by the ABC's business specialists, all of whom have other reporting commitments in radio and television; there are three staff dedicated to the website. Given that, it does an impressive job.

Nevertheless, the reviewer noted that during the review period in early February it took an unacceptably long time for the site to be updated on some days. For example, she did not consider there was any point in loading a "time critical" element such as the *Finance Slot* a day or two after it was first broadcast on the 7pm News. By then the content was out-of-date. A more recent check suggests that the upload speed may be improving.

As of writing there is still a prominent link on the main business page to *The Finance Quarter*. The reviewer notes that the monthly 12-minute video report has not appeared since November, that there are currently no plans to reintroduce it, and wonders why it still appears on the business menu as though it were a current business program.

6.7 Commercial references

Across the week's output the reviewer noted a number of what she considered to be excessive commercial plugs, where an interviewee was associated with a particular company. She noted the wording of the ABC's Editorial Standards with regard to Commercial References and in particular these clauses:

12.1 References to trade names, brand names, and logos may be made provided that:

1. the references are editorially relevant in the context; and
2. the ABC's editorial independence or integrity is not undermined.

12.2 Commercial references must not be unduly frequent or unduly prominent.

12.4 Do not state or imply that the ABC endorses any commercial organisation, product or service.

The reviewer understands that audiences need to know a person's credentials and the position they might be representing so they can make an informed judgement

on what weight to place on their contribution. She also acknowledges that it is reasonable for a company to hope that some commercial/reputational benefit might accrue to them for agreeing to participate in the ABC's output.

But both on screen and in radio, there were examples of excessive name checks where the "need to know" was in the reviewer's judgement over-interpreted to the point where the audience would either consider the ABC was endorsing a commercial organisation, or the reference was so prominent that it amounted to commercial advertising that could not be justified on the grounds of informing the audience.

Issues around this can have a bearing on the audience's perception of the ABC's impartiality.

A particularly problematic example was found in an item on radio.

Radio Brisbane

This was an item from local radio in Brisbane on 8 February, where an interview with someone billed as a start-up specialist provided an uncritical sales platform for his business.

The content was excellent, the interviewee was knowledgeable, and the topic appropriate. The audience learnt about the difference between venture capitalists and angels and were given guidance on what makes a product or idea viable. But it was the five name checks for the company which concerned the reviewer, as well as the blatant plug at one point for one of the businesses in which he had invested. On two occasions the presenter offered to put the caller directly in touch with the interviewee (presumably to see if they could reach a deal). It gave the appearance of commercial endorsement.

The ABC needs to ensure that it retains effective editorial control of its output, and to inform interviewees in advance, particularly in a live situation, what this means - so that they understand the terms on which they are participating.

Particularly disturbing for the reviewer was the fact that it was the presenter who was doing most of the spruiking, and the guest who, with one exception, sought to play down the commercial aspect and focus on the topic more generally. For example, the presenter continually framed the company as if it was a social enterprise; the interviewee emphasised he was running an economic enterprise and taking a share of the businesses he invested in: "It's not a charity"; "I don't want to sound philanthropic" were among the ways he did this. It should have alerted the presenter to ease off on the name checks, but it did not appear to have put him off his stride.

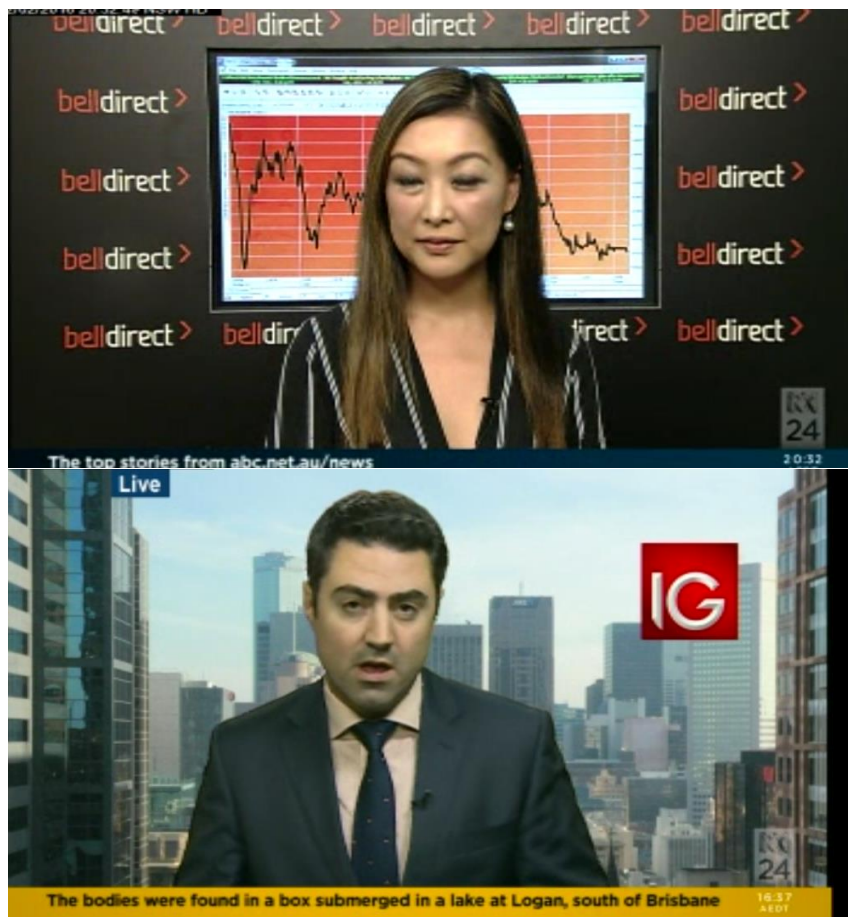
Whilst the repetitions of the interviewee's name over the half hour segment were reasonable, and two or three references to his company name may have been just about okay, five mentions were considered by the reviewer to be excessive and unjustified. On one occasion the guest recounted a story about the first business he had invested in. The content was interesting and editorially relevant. It would have

been reasonable to have mentioned the trade name of the product. But the interviewee finished his story with a straightforward advert directing listeners to check out the product: "...anyway, Annie Holden is marketing the travel bra, it's travelbra.com.au, it's fantastic..." This was blatant advertising and inappropriate.

The reviewer noted that whilst this was the most obvious (and worst) example in the content she reviewed, the Brisbane example was not unique: there were other occasions where output pushed the boundaries of acceptability in relation to commercial promotion of products. Content producers need to be reminded of the rules which apply to commercial references.

6.8 Market segments on network television

The reviewer noted that live crosses to analysts at their company offices featured regularly in the business output on ABC television across the week, particularly in *The Business* program which is broadcast on News 24 and on ABC One. On most occasion corporate logos were visible in the shot; their prominence and size varied.





The reviewer noted too that in her review of the ABC audience log in the year prior to the review there had been three complaints about the prominence of the Macquarie Bank logo in these segments. The complaints followed an item on ABC's *Media Watch* in April 2015 which highlighted the issue.

In the *Media Watch* item, a spokesperson from the ABC was quoted as saying:

"Obviously we would be concerned if it were unduly prominent, but there is no definitive rule and no physical measurement which neatly defines what is and isn't too prominent. It is a case by case judgement.

"We have had no concerns raised with us about the Macquarie Bank logo but we will now review the size of the logos."

The reviewer noted that *Media Watch* ran a similar story in 2009 in which the size of the Macquarie Bank logo was featured. As a result of concerns then, its prominence was reduced. The first two images below are the before and after relating to the 2009 *Media Watch* story. As noted in the 2015 *Media Watch* item and in the reviewer's research, the current Macquarie branding is now even more prominent (third image).





The name is now partially obscured, (and therefore a rather strange framing for Macquarie to have chosen), but the reviewer considers it odd that on whatever basis the ABC decided in 2009 that the logo was unduly prominent and needed to be reduced in size, no longer apparently applied.

The reviewer considers the Bell Direct branding is also excessive. While the visuals do not imply an endorsement by the ABC of either entity, she nevertheless considers it breaches clause 12.2 of the Editorial Standards regarding undue prominence: it was hard to see how either logo could have been any more prominent.

7 Submissions

A wide range of stakeholders were invited to make submissions for the review, including some of Australia's largest companies, trade unions, industry bodies and think tanks:

- the 20% response rate was slightly above expectations, particularly given the short timeframe and the fact that the invites were sent out during reporting season
- most sectors were represented in the responses, with the exception of trade unions, where none of the seven invited chose to make a submission (efforts were made to address the invites to named individuals; they were not sent to random email addresses and all invites were followed up)
- the invitation letter is appended as Annex 2
- some respondents asked for additional time and this was granted on each occasion; one organisation gave its response in a telephone interview with the reviewer

With the exception of a series of submissions highlighting perceived shortcomings in the ABC's coverage of the mining sector, the responses received were generally favourable or very favourable. Given the heat which is often around the ABC, particularly concerning its coverage of business and political issues, the reviewer anticipated that those who took the trouble to respond would primarily be the ABC's detractors.

Even those submissions most critical of aspects of the coverage, generally had some positive things to say; all appreciated that the ABC fulfils an important role in telling Australia's business story and many stressed that the ABC can often set the agenda for a story. One respondent said that being invited to appear on the AM program on Radio National, "is as good as talking to the minister".

The reviewer does not make any claims of completeness for the submission exercise, nor does she suggest that those who chose to respond were necessarily a fair representation of the views of the business community or of stakeholders. Each response was personal to the organisation's experience of their dealings with the ABC from the perspective of the industry or concern they represented. This was an information gathering exercise to help the reviewer consider what else she needed to address, beyond what she could get from viewing the content alone - and without having to rely so heavily on her knowledge to identify the key issues.

A summary of comments from the submissions received is appended as Annex IV. Comments replicate some of the issues already identified by the reviewer in her analysis of the content, others indicate perhaps a lack of understanding of why the technical challenges of television mean it might have very different requirements from radio, and even more so to the requirements of the print media. This goes to the issue of engagement with business and demonstrates the work that needs to be done to improve mutual understanding.

There were some interesting comments around what some saw as a tendency to polarise and over-simplify stories, or to take at face value what is said by an industry group or a mainstream business.

Recommendations outlined at the beginning of this review: to improve engagement with business, to increase the knowledge and understanding of business issues and to reflect more prominently and with greater regularity, economic and business analysis on mainstream programs, should help to address these issues.

The reviewer is grateful for the time and effort (considerable in some cases) which contributors devoted to the exercise. The reviewer considers the review should aspire to be, amongst other things, a confidence-building exercise which gives the ABC an opportunity to listen, and to give serious consideration to constructive criticism. She considers that, along with Mike Smith's input, the extra perspective provided by the submissions was useful in helping to formulate her approach to analysing the content and in deciding what she needed to cover in her conversations with ABC personnel.

8 Conversations

The review spoke to 12 ABC journalists in a series of individual face-to-face meetings and some telephone conversations. Those who participated included the Director of News, the Head of Current Affairs and the Executive Producer of *7.30*. Reporters, presenters and editors from Radio, TV and Online were represented.

These were not formal hearings but conversations in which the reviewer - and Mike Smith in respect of six of the meetings - discussed the ABC's business journalism in an informal setting. The conversations were on-the-record, but generally non-attributable. Where the reviewer considered attribution would be helpful or that the person's identity would be obvious from the context, permission has been expressly sought on each occasion.

These sessions enabled the reviewer to explore with relevant staff some of the themes which had come up during the review and to help her get a better handle on how the ABC organised its business coverage, whether it was maximising the business resource. The overall aim was to assist the reviewer in reaching a judgement about the extent to which any non-coverage decisions, such as departmental reorganizations, might have impacted on the degree to which the ABC's business output met the Impartiality standard.

The views of managers and their teams are deliberately not distinguished one from another; sometimes it is clear though where the statement represents a corporate policy or intention, rather than an individual's observation:

8.1 On whether business knowledge and expertise is sufficiently present amongst ABC journalists

This is one of the questions the review has been asked to answer; it was mentioned in a few of the submissions which noted a variability of knowledge amongst the journalists the organisation dealt with. It was a question that could not be answered with reference to the content alone.

This section focusses on expertise within mainstream television news and current affairs, because it is there where the review has already identified that on occasion insufficient prominence has been given to the business perspective.

The ABC employs 19 journalists working on business coverage across its national platforms, plus Alan Kohler who is contracted on a freelance basis for his 7pm finance slot. Amongst the team are some of the most experienced business journalists currently working in Australia. Nevertheless, there was an acknowledgement from some managers that perhaps too little emphasis had been placed in the past on developing strong on-screen skills amongst its reporting talent and perhaps too great a tendency to look outside when a need has been identified for business commentary on the mainstream ABC TV output. The reviewer was told that the ABC was in the process of trying to grow the business expertise of all its reporters.

Of the 20 business journalists at the ABC, only three are employed in producer roles and none of those work on mainstream programs. The reviewer was given to understand that the ABC has traditionally not invested in producers in news, and has not particularly encouraged the producers it employs to specialise, but instead has relied heavily on reporters to provide the expertise in a given subject. Some journalists who spoke to the review identified it as an issue in television news, where a late-breaking story can be hard to assemble because potential producer support lacked the knowledge to contribute effectively.

The reviewer received a generally positive response when she aired the suggestion that perhaps the News Division could benefit from offering some training in business and economics for non-business journalists. Involving the Business Unit in such an initiative would help raise their profile and enable better integration into the News Division. One further suggestion might be to consider embedding producers from News into the Unit for short periods, perhaps swapping with a business specialist so that both could benefit from the experience.

The reviewer put it to the journalists she spoke to that viewers to the *7.30* were under served in the economic and business sphere because of a lack of dedicated resource. The ABC considers that while there is room to improve, the *7.30* already covers the national economy consistently, although generally out of Canberra, and noted that the presenter, Leigh Sales, regularly conducts interviews which are directly about the national economy.

The reviewer was told that the *7.30* has been looking at ways of enhancing its coverage of business; its Executive Producer has management support to focus on original journalism and investigations. *7.30* is hoping that a relatively new reporting appointment from radio current affairs will eventually give the program their business specialist. The reporter has already filed a number of business stories for *7.30* this year and the program said one of its biggest challenges now is to get companies to talk to them and to give them access to film (as already noted in the analysis of energy coverage).

The reviewer considers that the content-hungry pages of the business website and the ABC's ability to feed the beast would likely be easier if more journalists – including willing and able producers - could confidently create intelligent and informed business content (albeit there are considerations of workload pressures which need to be balanced).

The Business Editor told the reviewer that when he first started encouraging reporters to file for the website he was surprised to find that many were initially apprehensive, thinking that despite scripting items daily for broadcast, they couldn't actually write. He said that most have now come to enjoy the new dimension to their reporting and recognise they are quite good at it - and the website has benefitted from their journalism. That is smart integration and will serve the ABC well as it grapples with how to maximise resources and showcase talent in the digital future.

Distinguishing the ABC's business reporting in the digital space is a challenge. The Business Editor understands that, and points to a journalist whose career he says has effectively been relaunched after the Business Editor became aware of the journalist's significant business expertise: he was formerly an Executive Producer in business at the ABC, but had been working elsewhere in the division. The individual concerned now works full time in the Business Unit:

"He runs our social media outlets, constructs graphics and contributes original journalism each day... a story he wrote last week was the most widely read on the entire ABC website for most of the day... he was on to it before anyone else

"He regularly sifts through mountains of broker and investment banking research to deliver us original stories."

8.2 on whether the ABC is covering business effectively

There is evidently some debate within the News Division about whether the ABC should still be putting so much focus on markets and company results, where such information is freely available from other sources and in a climate where the ABC has some tough decisions to make about how best to spend its precious resources.

The reviewer's impression was that business specialists at the ABC generally agree that effort and resources should be directed towards adding value with original stories and investigations and enlarging the scope of business content to include greater coverage of small business, new technology and workplace issues - rather than duplicating what others are doing. The reviewer can see where the added value is already happening, but not where the reliance on what one staff journalist referred to as "the trivia" has been reduced. It is not simple: market reports are integral to the structure of the ABC's business offering and have long set the rhythm of the ABC's business day. Any decision to change would in the reviewer's decision need to be bold, decisive and clearly communicated to those whose job it is to implement, rather than iterative and relying on content makers having to read news managers' tea leaves. The reviewer suspects this is probably what is happening now.

The Finance Report proved to be an interesting talking point in the conversations. This is the segment which airs every weekday on the 7pm TV news bulletin and is presented by Alan Kohler. He is considered particularly valuable because he is regarded as being "outside the tent" and thus enhances the diversity of opinion and perspectives on business and economics seen on the ABC.

Although he is not an ABC employee, Alan Kohler's is ironically the first name most Australians would come up with if they were asked to identify a business reporter on the ABC. When in 2013, and after a 12 year run, he decided he no longer wanted to present ABC's Sunday morning business program, *Inside Business*, because of the pressure of other work commitments, the ABC did not replace him, they chose instead to axe the program.

The 7pm news was described by one reporter who spoke to this review as “prime-time real estate” and it was suggested to the reviewer that the Kohler Report, as it is also known, has almost cult status. But the format has not been updated for years and while the content is generally considered to be fiscally first class, it was observed by many the reviewer spoke to to be crying out for a production makeover: fresher graphics, a brighter look, maybe even some video inserts. The reviewer understood the slot’s attraction, and was always better informed at the end of the 90 second segment (although not surprised to hear that some of the slot’s most faithful followers don’t even attempt to watch it in real time given the speed with which the graphic slides change). But it is clearly not where the ABC would start if it was launching the segment now. The range of things the ABC might do without, the reviewer would wish to emphasise, losing Mr. Kohler’s expertise, are largely outside of the remit of this review; they are creative decisions.

But, the *Finance Report* is useful in helping the ABC demonstrate that it reflects a diversity of perspectives: five times a week the audience hears a pure business commentary in the main TV news bulletin.

However, it was also suggested that the fixed slot can on occasion distort coverage of business stories: where a story might otherwise have fought its way onto the line up as a main program item, a program producer with numerous stories competing for inclusion might instead suggest that the story goes into the finance slot. It is an editorial judgement and not a matter for this review, other than to observe that if that kind of decision is made with any regularity, over time the effect is less coverage of business overall on the main news bulletin on ABC TV.

The reviewer learnt that the improved graphic capabilities in the main news operation in Sydney have transformed the visual look of news bulletins. Business and economics stories are ideal customers for graphics departments. The reviewer would suggest that even better use could be made of this expensive resource were the ABC were to develop more business-engaged producers.

The reviewer sensed from conversations that this assessment of the ABC’s business coverage was not unwelcome. There have been many changes at the ABC which have impacted its business coverage over the last year or so: transferring the team to a new home in News, ramping up the business pages of the website, closing *Lateline Business* and reorganising *The Business* into its new slots – and finally at the end of last year the appointment of a new boss to head up the News Division.

All peaceful regime changes such as this offer ideal “no fault” opportunities for an organisation to engage in blue sky thinking. Where business coverage is concerned the message to the reviewer could not have been clearer: the future model is for greater business coverage mixed into the mainstream, not greater investment in dedicated business output.

The reviewer considers this can only be good for the achievement of impartiality in business coverage if the best of the ABC’s business expertise gets to play with the

more expensive graphic toys, if business reporters get to work with the best film makers, and if their content gets aired on programs with the greatest reach.

The reviewer was told that the establishment last year of the Business Unit as a centralised resource under the newsgathering umbrella, was intended, among other things, to make it easier for content that is produced for TV and Radio to “live an equal digital life”. But the ABC also has an appreciation that digital is different and it may not be enough just to replicate content produced for linear platforms and assume it will also work in the digital space. The reviewer was told that the Business Unit has been experimenting with producing bespoke digital content and has learnt it is not straightforward: a short form video following the May Budget took hours to produce and was very labour-intensive. The view of someone who was involved in the exercise is that if the ABC goes down the route of differentiated content it would not be realistic to try to do so from existing resources.

The reviewer does not consider the long term future of business at the ABC is in jeopardy; her review of the content would suggest it consistently over delivers on most of the tests for impartiality and that where it occasionally doesn't, the fixes would be neither expensive nor difficult to implement. But the ABC is doing a lot of stuff in a lot of areas and to borrow a phrase, it would not have chosen to start from here. The current range of responsibilities for the Business Unit will make it difficult from both a structural and financial point of view, to engage in the creative risk-taking the ABC will have to do as it experiments with how best to position itself to not just survive, but also to thrive, in the parallel linear and digital universes.

The reviewer considers that integrating business into the mainstream should be a positive step, which is more likely to enhance rather than damage impartiality overall - even if that means removing resources which might otherwise have been spent on specialist business programming. But only if the organisation is clear what it wants to achieve in doing so and communicates that vision effectively to its staff.

ANNEXE 1 – Terms of Reference

This review will be a broad analysis of how the ABC covers business issues across all its national and state platforms. The principle aim of the review is to assess the impartiality of that coverage with a particular emphasis not just on the final product and whether perspectives are covered fairly, but to look for the first time at the commissioning process: for example, how the content is gathered, the source of stories and the criteria considered when assessing the merits of a “business” story.

The review will seek answers to the following questions:

1. Is there a perceptible bias in the selection or treatment of business stories in favour (or against) any stakeholders (e.g. companies/consumers/trade unions)?
2. Does ABC business coverage contain adequate context to make it accessible to the broad ABC audience?
3. Does the ABC content include a broad range of interviewees in its business coverage?
4. Is business knowledge and expertise sufficiently present amongst ABC journalists as a whole in order to ensure accurate and impartial coverage?
5. Does the ABC gather its business news from a sufficiently diverse and representative selection of sources?

The scope of the review

Whilst the analysis of specific content will again form the backbone of the review, the aim of this assessment of business coverage takes a slightly different approach to that taken by previous Board reviews of impartiality.

This review will remain focused on the accuracy and impartiality of business reporting, but will examine those issues more broadly by identifying where elements may be missing from the ABC coverage that might lead to failings in impartiality, diversity of perspectives and accuracy.

The intention is to explicitly address not only the content as broadcast but also that part of the Board’s remit under the 1983 Australian Broadcasting Corporation Act which requires it to ensure that the gathering of news and information is accurate and impartial.

The review will examine a selection of business coverage in the ABC’s key broadcast and publication platforms over a specific time frame. Only items of 1’30” or longer will be considered for review. However, rather than simply assessing those stories item by item, the reviewer will combine a broad output analysis of the content with a series of discussions with the ABC program makers themselves to assess accuracy and impartiality by considering the choices made in the selection of stories, the sources relied upon to prepare those stories and the decisions made about which stories to pursue and not pursue.

This analysis will be supplemented by external input by way of discussions and/or requests for written submissions from key elements within the business community about their views of ABC business coverage.

It is anticipated that the approach will afford a greater understanding of how a business story gets on air and will be able to identify with greater precision than in previous reviews where there might be gaps in newsgathering or oversight which could ultimately affect the editorial standard of the business offering on the ABC.

ANNEXE II: Editorial Policies on Impartiality

Principles

The ABC has a statutory duty to ensure that the gathering and presentation of news and information is impartial according to the recognised standards of objective journalism.

Aiming to equip audiences to make up their own minds is consistent with the public service character of the ABC. A democratic society depends on diverse sources of reliable information and contending opinions. A broadcaster operating under statute with public funds is legitimately expected to contribute in ways that may differ from commercial media, which are free to be partial to private interests.

Judgements about whether impartiality was achieved in any given circumstances can vary among individuals according to their personal and subjective view of any given matter of contention. Acknowledging this fact of life does not change the ABC's obligation to apply its impartiality standard as objectively as possible. In doing so, the ABC is guided by these hallmarks of impartiality:

- a balance that follows the weight of evidence;
- fair treatment;
- open-mindedness; and
- opportunities over time for principal relevant perspectives on matters of contention to be expressed.

The ABC aims to present, over time, content that addresses a broad range of subjects from a diversity of perspectives reflecting a diversity of experiences, presented in a diversity of ways from a diversity of sources, including content created by ABC staff, generated by audiences and commissioned or acquired from external content-makers.

Impartiality does not require that every perspective receives equal time, nor that every facet of every argument is presented.

Assessing the impartiality due in given circumstances requires consideration in context of all relevant factors including:

- the type, subject and nature of the content;
- the circumstances in which the content is made and presented;
- the likely audience expectations of the content;
- the degree to which the matter to which the content relates is contentious;
- the range of principal relevant perspectives on the matter of contention; and

- the timeframe within which it would be appropriate for the ABC to provide opportunities for the principal relevant perspectives to be expressed, having regard to the public importance of the matter of contention and the extent to which it is the subject of current debate.

Standards

1. 4.1 Gather and present news and information with due impartiality.
 - 4.2 Present a diversity of perspectives so that, over time, no significant strand of thought or belief within the community is knowingly excluded or disproportionately represented.
 - 4.3 Do not state or imply that any perspective is the editorial opinion of the ABC. The ABC takes no editorial stance other than its commitment to fundamental democratic principles including the rule of law, freedom of speech and religion, parliamentary democracy and equality of opportunity.
 - 4.4 Do not misrepresent any perspective.
 - 4.5 Do not unduly favour one perspective over another.

ANNEXE III – Invitation to make submission

Re Editorial Review of ABC Business Coverage

As part of its remit to ensure that the gathering and presentation of news on the ABC is accurate and impartial, the ABC Board has initiated a rolling program of independent reviews of the Corporation's editorial performance.

The ABC's first review for 2016 will be of its business coverage. It will be the eighth in the series, of which six have already been published.

The review is being conducted by Kerry Blackburn who is a highly experienced producer and journalist and has also been an advisor to the BBC Trust for eight years. Ms Blackburn has previously conducted independent external editorial reviews for the ABC. Mike Smith, the recently retired CEO of ANZ will be joining Ms Blackburn as an adviser for the review.

As part of her review Ms Blackburn has suggested that the ABC invite individuals and organisations who are likely to have an informed opinion about the ABC's business coverage to submit their views for consideration.

Written submissions are one of a number of strands of "evidence" which will be considered by Ms Blackburn in her assessment of whether the ABC's business coverage meets the Corporation's exacting standards for accuracy and impartiality.

For guidance the review will be seeking to address the following questions:

1. Is there a perceptible bias in the selection or treatment of business stories in favour (or against) any stakeholders (e.g. companies/consumers/trade unions)?
2. Does ABC business coverage contain adequate context to make it accessible to the broad ABC audience?
3. Does the ABC content include a broad range of interviewees in its business coverage?
4. Is business knowledge and expertise sufficiently present amongst ABC journalists as a whole in order to ensure accurate and impartial coverage?
5. Does the ABC gather its business news from a sufficiently diverse and representative selection of sources?

Ms Blackburn is particularly interested in your organisation's impression of any interactions you have had with the ABC in the past as well as your broader view of business coverage across all the ABC platforms, i.e. radio, TV and online.

The review will be published by the ABC in the first half of 2016. Should you have any questions you can contact Ms Blackburn via email at businessreview@abc.net.au. Submissions should also be forwarded to that address. You can of course write as much or as little as you wish, but Ms Blackburn has suggested around 1000 words as the most helpful length.

We do hope that you are able and willing to contribute to the exercise and would be grateful to receive any submission you wish to make by 22 February.

ANNEXE IV: Summary of submissions

The section of the review which analysed coverage of the energy sector cited extracts and comments from some of the submissions; those comments have not been repeated here.

Individuals, companies or organisations have only been identified where the reviewer considered it was either necessary or relevant to do so; on those occasions their express permission has been sought.

Contributors were invited to consider their responses against the key questions posed for the review.

The questions are below; a selection of comments from the range of comments received are listed in the bullet points which follow each question.

While not all comments received are included here, the selection is intended to be representative of the range of comments received from across the submissions for each question:

1 Is there a perceptible bias in the selection or treatment of business stories in favour (or against) any stakeholders (e.g. companies/consumers/trade unions)?

- ABC news and current affairs is hostile to business
- given the multitude of stakeholders with an interest in the company's business, the ABC does not always represent the full gamut of views
- there is an over-representation of consumers' views against those of other stakeholders, in particular individual shareholders of which most major companies have many hundreds of thousands
- even where stories achieve balance over the course of the item, often the negative framing of the introduction sets an anti-business tone
- there is a tendency to take the traditional big business response to an issue and present it as the business view, for example the ABC in common with most of the rest of the media stated that Australian business opposes policy schemes on carbon reduction: the reporting was inaccurate and simplistic, and prevented a deeper and more mature business and general community conversation about the implications (challenges and opportunities) of what a low carbon transition looked like for Australia
- Luke Sayers, Chief Executive PwC:

"all journalists are motivated to pique interest and build engagement amongst their audience - I believe the industry calls this 'news sense.' In my view this motivation would trump any personal bias for or against a particular group - indeed it would be professionally limiting if it were otherwise. That's not to say that journalists do not have personal biases - it is human nature to do so. However it has not been my observation that personal or institutional biases have influenced the

ABC's business coverage."

2 Does ABC business coverage contain adequate context to make it accessible to the broad ABC audience?

- there is a sense that ABC business journalists are keen to explore issues and establish facts, rather than find sources to support existing positions.
- the ABC does a good job here; even in programs that are not strictly "business" in nature but cover relevant business topics
- recent ABC output concerning an ATO exercise which released the amount of corporation tax paid by 600 of Australia's largest companies failed to explain the relevance of the difference between companies' taxable income and total income in assessing liability for corporation tax, thus misleading the audience when reporting the story
- there is a tendency to oversimplify the story into "winners" and "losers" where the issue is more complex e.g. tax reform, environmental issues, economic or market disruption
- on occasion, issues (e.g. business action on climate change) could be framed as 'business opportunity' rather than 'business risk', or at least the opportunity narrative could be given equal standing, or the coverage could include more informed debate
- the FactCheck strand on the ABC website featured in two responses: one respondent said it did an important job in informing the ABC audience and the business community, another said he was confused by it and did not understand its purpose

3 Does the ABC gather its business news from a sufficiently diverse and representative selection of sources and include a broad range of interviewees?

- the ABC would benefit from including a wider range of interviewees and different points of view in its reports; it too often goes for the simple point and then finds the counterpoint without seeking other views
- TV is very problematic and the opposite of radio: it is sometimes difficult to get the ABC to reflect the perspective of small businesses, particularly on ABC Television
- there is much greater opportunity to hear a diversity of perspectives and a range of voices on radio, regional or national, than on television
- there is tendency to give too much weight to the views and claims of the larger business organisations and lobby groups and not enough reflection of other (smaller and less mainstream) business viewpoints; the statements made by the larger industry bodies are not sufficiently scrutinised
- there is significant work being carried out at the global level by leading international business groups which is relevant to mainstream Australian business but which is being ignored by the Australian media
- on occasion the ABC business coverage seems overly dependent on the morning newspapers, particularly Fairfax publications:

“..in an era when the traditional commercial broadcasting model is facing disruption and regulatory change, it is important that our public broadcaster tells the stories that might not otherwise get told. The ABC must cover the news, but it must also strive to break news and find original stories - particularly those which the commercial networks might forgo.”

4 Is business knowledge and expertise sufficiently present amongst ABC journalists as a whole in order to ensure accurate and impartial coverage?

- much of what the ABC does on business is of high quality
- many ABC journalists are of the highest calibre
- strong relations with individual ABC journalists in the business unit are crucial and where they work they work very well
- our experience is overwhelmingly positive in regard to interaction with *Radio National* and *The Business*
- business is a specialist area and the ABC should devote more resources to equipping more of its journalists to understand the issues: when the ABC gets the wrong end of the stick on a story it can have serious consequences
- the ABC often does not give business stories the prominence they deserve, “we get the impression that some producers on the ABC’s television news programs would not be able to recognise an important business story because they wouldn’t possess the knowledge to make the necessary judgement”
- one respondent, whose press office had registered 70 contacts with the ABC in the current financial year, referred to what he called the “somewhat fragmented nature of contact” from the ABC, saying that it was rare to be contacted by the same producer or journalist and that his company’s press team were often dealing with reporters and producers who did not understand their industry particularly well
- the same company had had more than 200 approaches during the same period from Fairfax and News Corporation, but around a third of these were from a core group of just 2 or 3 journalists and editors who had a very strong working knowledge of how the company and the industry as a whole worked