MEAA Fact Sheet ABC Funding Cuts



FACT #1

ABC base funding has been cut by almost \$340 million since 2014. **2014:** ABC five-year budget reduced from \$5.47 billion to \$5.22 billion. Initial cut of \$35.5 million in May Budget; full amount of **\$254 million** cut following Lewis Efficiency Review in November (amount does not include termination of Australia Network contract worth \$197 million to the ABC).¹

2016: Enhanced Newsgathering Program reduced from \$60 million to \$41.4 million over three years, a cut of **\$18.6 million**.²

2018: Indexation of ABC operating revenue to be frozen for three years. Impact on base funding of **\$83.7 million**.³



No cuts to education, no cuts to health, no change to pensions, no change to the GST, and no cuts to the ABC or SBS."

- Tony Abbott September 6, 2013



FACT #2

ABC funding is 30% less what it was three decades ago.

In real terms, ABC operational revenue from government has fallen by **28%** between 1985-6 and 2017-18 (from \$1.2 billion to \$865 million).⁴

In 1987, the ABC cost each Australian eight cents a day; in 1987 dollar terms it is now 4c a day – per capita funding has **halved** over 30 years.⁵

FACT #3

ABC staff numbers have fallen by 13% since 2013. Job cuts at the ABC since 2014 total **1012 positions**, or 829 full-time equivalent staff.⁶ There have been 939 redundancies since July 1, 2014.⁷ Four hundred of those job losses were a direct result of the 2014 funding cuts.⁸

Full-time equivalent staff at the ABC numbered 4093 in the 2016-17 financial year, of which 70% were in content making roles. They were 4679 in 2013-14, the year the Coalition government was elected.⁹



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FACT #4

ABC programming has been cut as a result of decreased funding. First run Australian drama on ABC TV has **fallen by a quarter** since 2014-15. In 2016-17, ABC TV screened 48.8 hours of first release Australian drama, compared to 65 hours in 2014-15.¹⁰

The ABC funded 50 programs including 24 drama series for the same amount as spent by Netflix on two series of *House of Cards*.¹¹ Other impacts of funding cuts have included:

- the axing of *Lateline*, *Catalyst* and state-based 7.30 programs on ABC TV, music programs on Radio National and reduced programming on ABC Classic FM;
- cuts to language services on Radio Australia;
- closure or downsizing of ABC bureaux in Tokyo, Bangkok, New Delhi and New Zealand;



- shutdown of most TV production in Adelaide in 2015;
- closure of five ABC local radio newsrooms in 2014-15;
- termination of the ABC shortwave service in January 2017;
- axing of ABC FactCheck in May 2016.



FACT #5

The ABC receives much less than other public broadcasters around the world. In a ranking of 18 major western countries, Australia came in **eighth lowest** for per capita funding of public broadcasting. The ABC's per capita funding is **34%** lower than the average of other public broadcasters, including the BBC. Norway, Switzerland and Germany each provide per capita funding to their public broadcasters at least **150% more** than Australia.¹²

The ABC serves a population one-third the size of the UK, but does it with a budget **one-eighth** that of the BBC.¹³ Per capita funding to the ABC is half that of the BBC, which had total revenue of \$8.8 billion in 2016-17, of which 76% came from TV licence fees.¹⁴

References

¹2014-15 Budget Paper No. 2, p. 66; Minister for Communications media release, November 30, 2014: <u>http://www. minister.communications.gov.au/malcolm_turnbull/</u> <u>news/abc_and_sbs_efficiency_study_-_release_of_re-</u> port#.Ww-mfUiFM2w

² http://www.abc.net.au/news/2016-05-03/budget-2016abc-facing-budget-cuts/7380570; 2016-17 Budget Paper No. 2, p. 70

³2018-19 Budget Paper No. 2, p. 79

⁴ABC financial statements 2016-17, p. 165; Communications and the Arts Portolio – full budget document 2018-19, p. 74

⁵ABC Chief Financial Officer Annual Public Meeting Speech, February 9, 2018: <u>http://about.abc.net.au/</u> <u>speeches/chief-financial-officer-apm-speech/</u>

⁶ Senate estimates hearing, May 23, 2018: <u>https://www.</u> <u>theguardian.com/media/2018/may/24/abc-has-shed-</u> <u>1012-jobs-since-2014-senate-estimates-told</u> ⁷Hansard of Senate estimates hearing, May 23, 2018, p. 114.

⁸ http://about.abc.net.au/our-abc-our-future/

⁹ABC annual reports

¹⁰ABC annual reports

¹¹Chief Financial Officer APM Speech, February 9, 2018: http://about.abc.net.au/speeches/chief-financial-officer-apm-speech/

¹² <u>http://www.cbc.radio-canada.ca/_files/cbcrc/documents/</u> <u>latest-studies/nordicity-public-broadcaster-compari-</u> <u>son-2016.pdf</u>

¹³Chief Financial Officer APM Speech, February 9, 2018: <u>http://about.abc.net.au/speeches/chief-financial-officer-apm-speech/</u>

¹⁴<u>https://www.nao.org.uk/wp-content/uploads/2017/10/</u> Short-Guide-to-the-BBC-1.pdf