

Former Murdoch executive axes more jobs at Australian Broadcasting Corporation

Our reporter
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Australian Broadcasting Corporation (ABC) managing director Michelle Guthrie, a former Murdoch media executive, stepped-up the Turnbull government's assault on jobs and programs at the state-funded media network this month. The ABC, which has just over 4,000 full-time workers, is the country's largest broadcasting network and media employer.

The latest cuts include the axing of 17 positions at the television science show "Catalyst," 7 jobs at Radio National (RN), the elimination of 10 positions in Audience and Marketing, 6 in News Operations and 6 in International.

These follow 14 job losses announced at News Operations during May and 305 layoffs in March 2016, when ABC management shut down its retail stores across the country. There are fears that management will announce further cuts at two of the broadcaster's other radio networks—Classic FM and ABC Local Radio.

"Catalyst," the only weekly science program on Australian television, has been broadcast since 2001. It is among ABC audiences' top ten most popular shows and top three in the ABC's own "Quality and Distinctiveness" rankings. Almost 8,000 people, including 64 eminent scientists, have signed a petition opposing the program's emasculation.

Management decided to outsource production of "Catalyst" following a review of its "format and production model." Instead of 34 half-hour "magazine-style" episodes (each containing 2–3 short stories) per year there will be 17 one-hour single-issue programs. The show's 17 staff will be replaced by 6 people, who will work with "external expert talent" on individual stories.

Most of "Catalyst" will be made by other production companies during 2017. Only two permanent positions will remain, plus four "36-week run-of-show" contract positions. Management told retrenched "Catalyst" staff they are "welcome to pitch ideas" next year and could be

employed as casuals on 16-week contracts.

"Catalyst" worker Mark Horstman, a 14-year ABC science reporter and producer who has lost his job, posted an angry comment on his Facebook page yesterday. He said management had "trashed" the network's "warehouse of unique experience in science communication ... I always trusted that science was at the core of what the ABC made. The media need more, not less science."

These cuts are part of an escalating assault on the ABC by the Liberal-National government over the past two years. In November 2014, 400 positions were axed in response to a \$254 million reduction in government funding. In July that year, the government terminated the \$223 million contract for the Australia Network, leading to 79 redundancies. The Australia Network broadcast to over 46 countries in the Asia Pacific region.

The job losses, however, did not begin with current government. They are a product of chronic underfunding that started with the Hawke and Keating Labor administrations three decades ago.

In 1985–86, the ABC employed over 6,000. Since then, funding has fallen by more than 20 per cent, \$230 million in real terms, and over 2,000 jobs have been eliminated with the complicity of the unions—the Community and Public Sector Union (CPSU) and Media Entertainment & Arts Alliance (MEAA).

Thirty years ago, the broadcaster had only one television channel and two radio networks. The past 15 years have seen an expansion into digital TV, radio and online. The ABC now runs four television networks, five radio networks, digital radio networks, online services and the TV catch-up service iView.

With shrinking government funding, this digital expansion is being paid for through drastic cuts to programming budgets and the axing of hundreds of fulltime jobs. The latest redundancies at RN are expected

to “save” at least \$3 million, which will be funnelled into the ABC Radio’s “digital strategy.”

The RN layoffs are just the beginning. RN management claims that it “will provide a strong commitment to independent content makers.” In other words, additional jobs will be lost as more and more in-house productions are outsourced to private companies.

The TV production capacity of the ABC has been decimated. Over the past decade, the Natural History, Art and Indigenous Production Units have been disbanded. There is no longer an in-house documentary-making department and all drama and most light entertainment programs are produced by outside production companies.

Under current arrangements, if the ABC makes a program internally it cannot attract any other sources of funding. But for outsourced programs (co-productions) it can get two-thirds of the funding from other broadcasters, such as the British Broadcasting Corporation (BBC), and unlock funds from bodies like Screen Australia and Screen NSW. For every dollar the ABC spends, it can attract up to six dollars in external funding, but only if it outsources.

The Rudd Labor government heavily promoted this “privatisation by stealth.” In 2008, it established Screen Australia, the primary body that administers such funding arrangements. In 2009, the Labor government provided an extra \$70 million to the ABC for Australian drama but this was contingent on the work being outsourced.

Outsourcing production has eliminated hundreds of jobs—between 2010 and 2016, 571 permanent positions were eliminated across ABC operations, while the number of contractors and casuals increased by 62. During this period, the unions—the MEAA and CPSU—have played a cynical role, collaborating in the outsourcing and casualisation.

The CPSU has responded to the latest job destruction with its usual empty protests, in this case, a petition calling on the ABC to retain “Catalyst” staff and a vote of “no confidence” by RN staff in their senior management. This has nothing to do with defending jobs but is to dissipate ABC workers’ anger.

The union appealed for “voluntary redundancies” with targeted staff to “substitute” in other departments. In other words, the CPSU, just as it has done in the past, is offering its services to help management carry through its budget cuts and corral staff out the door.

Managing director Guthrie has made it clear that layoffs will continue, telling staff last week that outsourcing “makes sense from a financial perspective.” Guthrie, a

lawyer, spent 14 years working for Rupert Murdoch’s News Corp, including stints at News International, BSkyB and Foxtel. In 2003, she replaced Murdoch’s son James as CEO of the Star Group in Hong Kong.

News Corp and other major media companies are hostile to state-funded media outlets, condemning them as “middle-class welfare” and constantly demanding they be privatised.

In 2009, James Murdoch denounced the BBC and public broadcasting more generally: “The BBC should not be in the business of competing with professional journalists ... [it] is creating enormous problems for the independent news business and **it has to be dealt with**” [emphasis added]. In Britain, the BBC is the main obstacle to increased profits for News Corp’s pay-TV service BSkyB and Murdoch newspapers.

In Australia, the ABC competes directly with News Corp’s Foxtel pay-TV service, and the company’s national and regional newspaper empire, which controls 70 percent of the print media market—and Lachlan Murdoch’s radio network. The launch of ABC TV station News 24 in 2010 directly challenged Sky News monopoly in the 24-hour television news market.

An editorial in the Murdoch-owned *Australian* newspaper in November 2014 demanded that ABC management “trim the fat” and “walk away from those areas where private players are meeting consumer needs.” In other words, slash and burn everything that the corporate media regards as its own profit-making areas.

The free-market Institute of Public Affairs (IPA) spelled this out more bluntly: “As private media companies continue to struggle with profitability, the continued lavish funding of the ABC only serves to undermine their business model further.” It urged the government to “break up the ABC and put out to tender each individual function.”

Falling profits for newspapers and other media organisations and the arrival in Australia of new global media competitors—Netflix and Amazon in particular—will intensify such calls for the dismantling of the ABC.



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