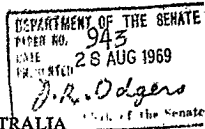


1969



THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

JOINT COMMITTEE OF PUBLIC ACCOUNTS

ONE HUNDRED AND TENTH REPORT

THE AUSTRALIAN BROADCASTING
COMMISSION

JOINT COMMITTEE OF PUBLIC ACCOUNTS

SEVENTH COMMITTEE

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Senator J.F. Fitzgerald (Vice-Chairman)

| | |
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| | D.S. Jessop, Esquire, M.P. (4) |
| | E.W. Peters, Esquire, M.P. |
| | I.L. Robinson, Esquire, M.P. |

The Senate and the House of Representatives appointed their
Members on 22nd February, 1967.

- (1) Appointed 23rd August, 1967.
- (2) Deceased 2nd August, 1967.
- (3) Resigned 26th February, 1969.
- (4) Appointed 26th February, 1969.

DUTIES OF THE COMMITTEE

Section 8 of the Public Accounts Committee Act 1951-1966 reads as follows :-

8. The duties of the Committee are -
- (a) to examine the accounts of the receipts and expenditure of the Commonwealth and each statement and report transmitted to the Houses of Parliament by the Auditor-General in pursuance of sub-section (1.) of section fifty-three of the Audit Act 1901-1950;
 - (b) to report to both Houses of the Parliament, with such comment as it thinks fit; any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
 - (c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
 - (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

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Joint Committee of Public Accounts

One Hundred and Tenth Report

The Australian Broadcasting Commission

Chapter 1

Introduction

In pursuance of section 8 of the Public Accounts Committee Act 1951-1966, Your Committee resolved to inquire into the accounts of the Australian Broadcasting Commission and into certain other aspects of the Commission's administration that have an important bearing on its efficiency.

2. Basically Your Committee's interest in the matters currently under inquiry stemmed from the following remarks made by the Commission in its Thirty-fifth Annual Report for the financial year 1966-67 to the Parliament:

"The Commission again draws attention of Parliament to some of the difficulties under which its organisation works. The role of the A.B.C. in mass communication is important in our developing community. Its annual expenditure is large and Parliament has the right to expect efficiency and economy on the one hand and responsibility on the other. The Commission believes it has carried out the obligations imposed on it by the Broadcasting and Television Act responsibly and with proper regard to the best interests of the community. However, in spite of some improvement, the A.B.C. still operates in Sydney from seventeen separate and largely unsuitable buildings and in Melbourne from ten buildings. In other cities, the situation is similar. Effective supervision and control is not easy because of this division of personnel between widely separated locations - a situation which inhibits the necessary consultation between officers and the effective co-ordination of our varied activities. The Commission has an urgent need for new buildings in Adelaide, Sydney and Melbourne and it is hoped that in spite of other claims, Parliament will find it possible to approve the capital costs involved."

3. For the purpose of the inquiry we obtained a number of statements from the Commission as listed in Appendix No. 1 to this Report.

4. The statements received were made the subject of a public inquiry held at -

Parliament House, Sydney - On Monday 29 April, 1968
Parliament House, Canberra - On Monday 27 May, 1968
Tuesday 4 June, 1968
Monday 23 September, 1968
Tuesday 24 September, 1968
Parliament House, Perth - On Wednesday 19 June, 1968
Parliament House, Adelaide - On Thursday 20 June, 1968
Parliament House, Melbourne - On Friday 21 June, 1968

5. The following witnesses were sworn and examined by Your Committee:

Australian Broadcasting Commission

| | | |
|------------------------|---|------------------------------------|
| Mr. F. W. Bennett | - | Director, Organisation and Methods |
| Mr. G. St. G. Chisholm | - | Manager, Western Australia |
| Mr. K. M. Digby | - | Acting Supervisor, Buildings |
| Mr. P. A. Dorrian | - | Controller, Management Services |
| Mr. T. S. Duckmanton | - | General Manager |
| Mr. R. G. Gifford | - | Controller, Finance. |
| Mr. W. S. Hamilton | - | Assistant General Manager. |
| Sir Robert Madgwick | - | Chairman |
| Mr. J. D. McLean | - | Assistant Manager, Victoria |
| Mr. W. J. Mehaffey | - | Acoustical Engineer |
| Mr. G. F. Norton | - | Studio Superintendent, Victoria |
| Miss J. E. Shewcroft | - | Senior Legal Officer |
| Mr. W. E. White | - | Manager, South Australia |

Department of Works

Mr. A. G. Miles - Executive Officer, Works

6. During our Inquiry we were assisted by the following observers:

Auditor-General's Office - Mr. H. S. Daulby
Mr. F. A. Johnson
Mr. T. Rees
Mr. H. R. Thornber.

Australian Broadcasting Commission - Mr. P. Masel, Member
Mr. A. Ramsay, Member
Mr. G. A. Richardson - Member
Mr. J. T. Reid - Vice-Chairman

Postmaster-General's Department - Mr. E. J. Higginbottom.

Public Service Board - Mr. N. A. Attwood
Mr. R. W. Cruickshanks
Mr. G. G. Glenn
Mr. W. L. Thorley
Mr. G. N. Vanthoff

Department of the Treasury - Mr. J. Hunter
Mr. E. K. Lynch
Mr. C. T. Monaghan

Department of Works - Mr. A. O. Dalton
Mr. C. S. Schumacher

7. As part of our investigations we carried out the following inspections:

Western Australia

Tuesday 18 June, : ABC premises
187-195 Adelaide Terrace, Perth

South Australia

Wednesday 19 June, 1968 : ABC premises, Hindmarsh Square
Adelaide.

Thursday 20 June, 1968 : ABC premises, Collinswood

Victoria

Thursday 20 June, 1968 : ABC premises at Broadcast House,
Waverley Court, C.M.L. Building
Rostella House and Cyclone House,
Melbourne.

Friday 21 June, 1968 : ABC premises at Majella House
and Tytherley, St. Kilda, Fletcher
Building, Caulfield; Waverley
Theatre, East Melbourne and
Ripponlea.

Australian Capital Territory

Tuesday 24 September, 1968 : ABC premises, Northbourne Ave.,
Dickson.

Chapter 2

History

8. The first Act relating to Wireless Telegraphy (The Wireless Telegraphy Act) passed in October, 1905 established Commonwealth Government control over this medium in Australia. It was not until after the 1914-18 war, however, that wireless as a commercial potential for Broadcasting, instead of merely for the exchange of private messages began to be realised. In Britain, as in the United States of America, the manufacturers of wireless equipment were responsible for the early development of broadcasting. Amalgamated Wireless (A/asia Ltd) the largest manufacturer of this type of equipment in Australia evidently saw the possibility of extending its business through increased sales of radio receivers and component parts.

Qs. 17, 19 and
Committee
File 1968/3

9. In August, 1919 an amendment to the Wireless Telegraphy Act provided the Commonwealth Government with the same powers in respect of Wireless telephony as it then had in the field of Wireless telegraphy. In July 1922, A.W.A. which had for some time been giving public demonstrations of broadcasting on a small scale in Melbourne, applied to the Prime Minister's Department for permission to broadcast radio concerts in all States as a commercial enterprise. Because of objections raised by smaller firms and amateur experimenters having similar interests, a conference of all interested parties was called by the then Postmaster-General early in 1923. Subsequent to this Conference the 'sealed set' system of broadcasting was introduced. This system allowed commercial radio station licensees to make a charge for subscription by listeners who had sets tunable only to the wave length of the particular station whose service was being received. The station licensees paid a proportion of the subscription received to A.W.A. for patent rights, and for their station license fee which A.W.A. collected on behalf of the Postmaster-General's Department. Four stations were established and 1,400 licences issued during the ten month duration of the 'sealed set' system. These stations were 2FC Sydney (Farmer and Co-Ltd.); 2SB Sydney, subsequently 2BL (Broadcasters Sydney Ltd); 3AR Melbourne (Melbourne associated Radio Co. Ltd); and 6WF Perth (Westralian Farmers Ltd), all of which are still included in the radio stations of the Australian Broadcasting Commission.

Qs. 17, 19,
Exhibit 110/1
and
Committee
File 1968/3

10. In 1924, a private enterprise dual system was introduced grading stations into "A" and "B" class with five year licences. "A" class stations were to be maintained by standard listeners' licence fees collected by the Postmaster-General's Department with limited sponsorship rights. Limited sponsorship rights at that time meant that stations were permitted to broadcast restricted advertising, that is, in periods confined to five minutes and not to exceed in the aggregate more than one hour in each twelve hours broadcasting time. Only three five-minute advertising sessions were permitted during evening hours. Each advertising session was to be preceded by an announcement advising listeners that an advertising session was about to commence and the time of its termination. At the conclusion of the advertising session a further announcement would advise that the regular programme was to be resumed. "B" class stations were to be supported solely by advertising revenue. This system flourished in the more densely populated areas, but proved to be unprofitable in Tasmania and Western Australia.

Q.21
Exhibit 110/1
and Committee
File 1968/3

11. A Royal Commission on Wireless was appointed by the Governor-General in Council on 20th January, 1927* to inquire and report upon:-

Exhibit 110/1
Q.22 and
Committee File
1968/3

Wireless broadcasting within the Commonwealth in all its aspects, making recommendations as to any alterations deemed desirable in the policy and practices at present in force.

The development and utilisation of wireless services for public requirements within the Commonwealth

12. The Report of this Commission, dated 14 July, 1927, recommended that "as integral parts of the whole Commonwealth the more populous States should come to the assistance of the more sparsely populated States...the Commission is of the opinion that the whole of the existing stations should be encouraged to co-operate and come to mutual arrangements for future working subject to strict control by the Postmaster-General." In October 1927, the Prime Minister initiated a series of conferences with the licencees of "A" class stations and urged the companies to

Q.23 and
Committee
File 1968/3

* Subsequent Commissions or Committees of Inquiry into broadcasting and television are listed in Appendix No.2

agree on some scheme of co-operation in line with the recommendations of the Royal Commission, so that the larger States could help the smaller States in providing a satisfactory service throughout the Commonwealth. Though negotiations continued for seven months the companies did not reconcile their varying interests and could apparently see no commercial advantages in extending their services in country areas.

13. A system of national broadcastings was introduced as from 2 July, 1928, whereby as the licenses of the "A" class stations expired their technical services were taken over by the Postmaster-General's Department and programmes were provided by a contractor namely, the Australian Broadcasting Company Ltd. The Postmaster-General's Department had the right to censor all programmes. Stations whose programmes were provided by the Company under this system were 2FC, 2BL, 3AR, 3LO, 4UG, 5CL, 6WF and 7ZL and, during the three years of the contract, four regionals 2NC, 4RK, 2CO and 5CK were added. Exhibit 110/1

14. In October, 1929, soon after the formation of the Australian Broadcasting Company Ltd., the Scullin Labour Government came into office in the Commonwealth Parliament and since broadcasting was included in the list of services which the Australian Labour Party intended to nationalise, a Broadcasting Bill for this purpose was prepared early in 1931 and notice was given to the Australian Broadcasting Company Ltd. of the termination of its contract. Although the Government was defeated before the Bill could be introduced, demand for a change in the broadcasting system was so strong that the new Government confirmed the notice given to the Australian Broadcasting Company Ltd and adopted, almost unchanged, the Bill prepared by the Scullin Government. This Bill related to "A" class or National stations only and provided for their Control by a Commission. Commercial or "B" class stations continued to operate under the licence system introduced in 1924. Exhibit 110/1

Establishment of the Australian Broadcasting Commission

15. The Australian Broadcasting Commission Act, No. 14 of 1932, which received the Royal Assent on 17 May 1932, provided for a Commission of five members appointed by the Governor-General, to administer the Exhibit 110/1

Act. The Act provided for the Commission:

- to provide and broadcast adequate and comprehensive programmes and to take, in the interests of the community all such measures as are conducive to the full development of suitable programmes;
- to appoint a general manager and such other officers and servants as considered necessary;
- to publish gratis or otherwise such material as considered fit, including programmes of national and other stations;
- to collect news and information relating to current events and to subscribe to news agencies;
- to endeavour to establish and utilise groups of musicians for the rendition of orchestral, choral and band music;
- to appoint advisory committees;
- to determine to what extent and in what manner political speeches might be broadcast.

The limitations imposed were:

- the salaries of the general manager and the next six most highly paid officers were to be subject to the approval of the Governor-General;
- the Commission could not, without the approval of the Postmaster-General acquire any property at a cost in excess of £5,000 (\$10,000) nor enter into a contract or agreement for a period exceeding five years;
- the Postmaster-General had the right to prohibit or require the broadcast of any matter.

16. Although technical services were to be provided by the Postmaster-General's Department, the provision of studios and all other buildings was to be the responsibility of the Commission. The national service was to be financed by a share of the radio licence fee, at that time set at \$2.40. Of this, the Commission would receive \$1.20, the Postmaster-General \$0.90 and A7A \$0.30 for certain patent rights. The Commission's share of the licence fee was provided for in the Act and it was to ensure that its operations would be financially self-supporting. The changeover from the Australian Broadcasting Company Ltd. to the Australian Broadcasting Commission was mainly a question of transfer of control in relation to staff, property and contracts and involved no break in the continuity of programmes from the national stations. Exhibit 110/1

17. For the first three years of the Commission's existence there were few radical developments in either policy or programmes. The State branches still worked very much as separate entities with little uniformity in administrative or programme procedures. This was mainly due to technical difficulties, but it was said that some rapid changes in the Commission's hierarchy also had a bearing on this situation. When questioned as to the nature of the technical difficulties, a witness for the Commission said that these related to the fact that there were limited relay facilities available at that time and for this reason the States were autonomous in the conduct of programmes. It was said that the difficulties were also related to the fact that in the early days of its existence, the Commission was becoming more sophisticated in its programmes in that what might have been merely a broadcasting service based largely on recordings, began to develop into a broadcasting service with a wider spectrum of programming.

Exhibit
110/1 and
Q.24

18. The first General Manager of the Commission, Mr. H.P. Williams, died in early March 1933 and his successor was Mr. W.T. Conder who left the Commission in May 1935. The records of the Commission do not show the circumstances in which Mr. Conder's services ceased in 1935. Mr. Conder was succeeded by Mr. C.J.A. Moses (later Sir Charles) who was appointed General Manager in November, 1935. The first Chairman of the Commission, Sir Charles Lloyd Jones resigned in June, 1934 and was succeeded by Mr. W.J. Cleary.

Exhibit 110/1
Q.26 and
Committee
File 1968/3

19. Changes in the membership of the Commission have been as follows - Mr. C.L. Jones, K.C., Chairman 1932-34, resigned because he was unable to devote the necessary time to the work of the Commission; Mr. H.R. Brooks, Vice-Chairman 1932-39 was not re-appointed; Mr. R.B. Orchard Commissioner 1932-39 was not re-appointed; Mr. R.S. Wallace, Commissioner 1932-35, resigned; Elizabeth M.R. Couchman, Commissioner 1932-42, was not re-appointed; Mr. W.J. Cleary, Chairman 1934-35 resigned for unstated reasons; Mr. J.W. Kitto, Commissioner 1935-39 was not re-appointed; Mr. E.C. Rigby, Vice-Chairman 1940-42 was not re-appointed; Sir Richard Boyer K.B.E., M.A. Commissioner 1940-45, Chairman 1945-61 resigned on account of ill-health but died in office before his resignation could take effect; Mr. S.J. McGibbon, Commissioner,

Qs.28,29
and Committee
File 1968/3

1940-42 was not re-appointed; Mr. P.G.J. Foley, Vice Chairman, 1942-44 died in office; Ernestine Hill, Commissioner 1942-44 resigned for personal reasons; Sir John Medley, K.T., D.C.L., LL.D., M.A. Commissioner 1942-60, resigned because of ill health; Mr. E.R. Dawes, C.M.G. Vice Chairman, 1944-67 was not re-appointed; Ivy M.Kent, Commissioner, 1944-51 was not re-appointed; Mr. J.S. Hanlon, Commissioner 1945-49, died in office; Mr. P.W. Nette, Treasury Representative, 1949-52, Mr. P.E.R. Vanthoff, Postmaster-General's Department Representative 1949-56, Mr. M.W. O'Donnell, Treasury Representative, 1952-56: the Broadcasting and Television Act of 1956 did not provide for departmental representatives on the Commission; Mr.C.W. Anderson, Commissioner, 1949-52 was deemed to have vacated his office because of absences from meetings; The Hon. Dame Enid Lyons Commissioner 1951-52 resigned because of ill health; Mr. J.C. Stewart, Commissioner 1952-56 was not re-appointed; Mrs. Elsie F. Byth, O.B.E., B.A., Commissioner 1956-60 was not re-appointed; Mr. H.B. Halvorsen, M.B.E., F.C.A., F.C.I.S., Commissioner 1956-67 was not re-appointed, Sir James Darling, C.M.G., O.B.E., M.A., D.C.L. Chairman 1962-67 was not re-appointed.

20. The present membership of the Commission is Sir Robert Madgwick, O.B.E., M.Ec., D.Phil., D.Litt., LL.D. appointed 1967; Mr. J.T. Reid, Commissioner 1961-67 appointed Vice Chairman 1967; Mr.A.G. Lowndes, C.B.E., M.Sc. appointed Commissioner 1956, Rhoda M. Felgate, M.B.E., appointed Commissioner 1960; Dorothy Edwards, O.B.E., B.A., appointed Commissioner 1962; Mr. P. Masel O.B.E., E.D., appointed Commissioner, 1967, Mr. G.A. Richardson, M.A. appointed Commissioner 1967; Mr. A. Smith, O.B.E. appointed Commissioner 1967; Mr. A.M. Ramsay, C.B.E., B.Ec., appointed Commissioner 1967.

Achievements of Early Years.

21. The Major achievements of the early years were the founding of the A.B.C. Composers' Competitions, the first of which was held in 1933 and 1934; the visits of the first overseas artists, Sir Hamilton Harty who provided the stimulus for orchestral music and Major Adkins, who was to establish and conduct the A.B.C. Military Band; the introduction of School Broadcasts and the formation of the first Federal Department to handle Talks, News, Sporting and School Broadcasts. The latter year was also that of the "Synthetic" broadcasts of the cricket test matches from England, prepared from cables.

Exhibit
110/1

22. Between 1932 and 1935 members of the Commission, separately, or in groups, and the general Manager Mr. H. P. Williams and later, Mr. W. T. Conder visited the State branches to report on staff conditions, conditions of building and studio equipment, programme preparation etc. During this period the Commission was divided into Sydney and Melbourne Sections which met in their respective capitals at fortnightly intervals as well as the full monthly meetings. Commencing in June 1935 and extending into 1936, Mr. Cleary Chairman, Mr. Moses, General Manager, and Professor Bernard Heinze the Commission's musical adviser conducted the first complete overall examination of the Commission's Administration and programme system, evaluating staff capabilities and arranging for standard auditions of artists in all states. When asked why this examination was undertaken some four years after the establishment of the Commission it was indicated that it was only after the broadcasting service was effectively in operation that an evaluation could be made of what had been done and to establish new standards for the Commission.

Exhibit 110/1
Q.3 and Committee File
1968/3

23. The resulting reorganisation approved by the Commission introduced specialist departments with Commonwealth wide responsibilities which is still the basis of its organisation. Programmes, Music and Drama became federal departments, also News, which was separated from Talks, and later in 1937 Youth Education became a federal department in its own right. Prof. Heinze's recommendations resulted in the establishment of small permanent orchestras in each state and these, augmented by existing orchestras or additional players, presented the first series of A.B.C. subscription concerts in 1936, when the Commission began the regular importation of celebrity artists to conduct and perform with its orchestras. The opening of 6WN in October, 1938, completed the network of two national stations in each state capital and resulted in the introduction of the dual network relay system of Interstate or light and National or serious programmes planned on a Federal basis.

Exhibit
110/1

24. Despite three attempted revisions, the 1932 Act, with one amendment in 1940, remained in force until 1942. Members of Parliament, in debate, had queried the basis of the Commission's finances, its use of artists, administration of staff and claims of political Censorship.

Exhibit
110/1

In addition to this, complaints from the press regarding the growth of the Commission's news services, and from entrepreneurs about the visits of overseas artists and the development of the Commission's concerts organisation strengthened demand for a general review of broadcasting legislation. The attempted revisions of the Act, in Bills introduced by Postmaster-General, Mr. Cameron and Mr. Harrison in 1939 and Mr. McLeay in 1941 did not satisfy these demands and did not become law.

25. The 1940 amendment to the Commission's Act, said to have been made without prior consultation with the Commission, reduced its share of license fees by 30.20 per licence to \$1.00. It was said that this reduction had severe repercussions on the finances of the Commission in that it was a drastic measure for an organisation which was at the time attempting to expand rather than contract its operations. In evidence before the Joint Parliamentary Committee on Broadcasting on 11 September 1941 Mr. Cleary, the then Chairman of the Commission, said that had the reduction not been made the Commission's revenue for the following twelve months would have increased by more than \$106,000. Because of the reduction, however, and in spite of an increase in the number of licenses issued revenue for the twelve months beginning 1 September was \$82,000 less than for the previous twelve months. Mr. Cleary also said that the Commission being a large organisation had to budget a considerable time in advance and that to spring such a drastic change upon it two months after the commencement of a year already budgeted for induced severe dislocation of Commission plans.

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qs. 33 to
35 and
Committee
File 1968/3

26. In its Annual Report for the financial year 1940-41 the Commission noted that during the first year of the reduction, its income was \$189,718 less than had been anticipated. This estimate represented a reduction in revenue of \$82,934 as against an anticipated increase of \$106,784.

A.B.C. Publications

27. Section 60 of the Broadcasting and Television Act 1942-67 provides that "for the purpose of the exercise of its powers and functions under this Act the Commission may compile, prepare, issue,

Exhibit 110/3

circulate and distribute, whether gratis or otherwise, in such manner as it thinks fit, such papers, magazines, periodicals, books, pamphlets, circulars and other literary matter as it thinks fit (including the programmes of national broadcasting stations, of national television stations and of other broadcasting and television stations): Provided that, prior to the publication of any programme in pursuance of this section, a copy of the programme shall be made available at an office of the Commission on equal terms to the publishers of any newspaper, magazine or journal published in Australia."

• A.B.C. Weekly

28. In December 1939 under the terms of its original Act and despite considerable press and Parliamentary opposition, the Commission began publication of a weekly journal the A.B.C. Weekly. The Commission's primary aims in undertaking publication of the journal were:

Exhibit
110/1 and
Committee
File 1968/3

- to provide listeners with full details of broadcast programmes which were not, at least in some States, available in other publications and which the press were not prepared to publish except at advertising rates;
- to provide a publicity medium for ABC programmes and activities.

29. At the time of its introduction the established news media was not entirely sympathetic to broadcasting in the mass medium field and there was some reluctance among sections of the press to provide programme information.

Qs. 36 to
40

30. The publication was soon in financial difficulties, due not only to the forces which opposed it but also because of wartime restrictions and paper shortages. Debate on its future finally brought to a head the question of legislative review of the entire broadcasting structure. On 3 July 1941, a Joint Parliamentary Committee on Wireless Broadcasting under Senator Gibson was appointed to enquire into and report on any and what changes should be made in the existing laws and practices relating to the control of broadcasting; whether the services provided by the A.B.C. and Commercial stations were adequate, and if not how they could be improved; and if any improvements could be made in the Broadcasting of news. After a most exhaustive inquiry the Report of

Exhibit
110/1

the Committee, dated 5 March 1942 including seventy one recommendations was presented to the Parliament.

31. In respect of the A.B.C. Weekly, the Gibson Committee noted that while it had received many letters and some suggestions in evidence for the abolition of the journal it had received even more evidence that it was a highly appreciated paper which should continue to be published. It was also noted, however, that few people had any real knowledge as to why the journal came into existence, its true financial position or the reasons for and against its retention and that the Weekly seemed to suffer from a continual campaign of misrepresentation.

Q.36 and
Committee
File 1968/
7.

32. The Committee noted that the Australian Broadcasting Commission Act of 1932 authorised and indeed anticipated that the Commission should issue publications on the lines of the British Broadcasting Commission Publications, Radio Times and the Listener. The Australian Broadcasting Commission had considered the publication of a journal from 1934 onwards. No move in this direction was made, however, until the beginning of 1939 as the Commission wished to establish its financial position and personnel and the press had been publishing its programme details without charge.

Q.36 and
Committee
File
1968/3

33. After considering the whole story of the A.B.C. Weekly the Committee was of the opinion that its loss and partial failure had been due to the following causes:

Q.36 and
Committee
File
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- (i) The journal was launched in the face of the strong and open opposition of great commercial interests which controlled, amongst other facilities the most powerful means of publicity in the country. This opposition is clearly indicated in the letter sent on 20th June, 1939 to the Prime Minister by the press.
- (ii) The Commission began its effort on too wide and optimistic lines. It attempted to combine both types of B.B.C. journal and it tried to establish an all-Australian journal instead of opening in New South Wales only, where the action of the press made it essential that the national programmes should be published.
- (iii) The Commission bound itself by an unsatisfactory printing contract, which seems to have lacked the most elementary business safeguards in the event of an over-estimate of sales and, in addition, produced poor printing results.

- (iv) Particularly at the outset, the journal and material were disappointing in certain respects. Evidence indicates, however, that there has been considerable improvement and the A.B.C. Weekly is now valued and appreciated by many of the listening public.

34. The Committees recommendations in respect of the A.B.C. Weekly were as follows:

- (i) Subject to review by the proposed Joint Parliamentary Committee the A.B.C. Weekly should be continued in some form as a medium for the publication of programmes if necessary, or as a higher grade journal on the lines of the British Listener. This recommendation is subject, of course, to war-time developments. We are not satisfied with the present standard, appearance and format of the journal and believe that improvements are possible.
- (ii) If the A.B.C. Weekly continues to publish programmes, the Commission should explore the General Manager's original recommendation to print a local edition in each of the eastern States so that each number will provide the latest programme information, as do the commercial journals in the various States.
- (iii) The publication of a Western Australian edition should not be undertaken at present owing to the difficulty arising from the distance to that State. The facts that the relations between the A.B.C. and the Western Australian press are excellent, and that the State possesses a commercial radio journal of high quality, seem to make the issue of a special Western Australian edition of the A.B.C. Weekly an unnecessary expense.
- (iv) The Broadcasting Act should be amended to place A.B.C. publications on equal terms with their commercial competitors. At present, under Section 17 of the Act, the Commission has to disclose its programmes to inquirers on equal terms, but the same provision does not apply to commercial stations.
- (v) The Commission should explore the possibility of utilising the journal for its educational activities.

35. At first a separate edition of the journal was published for each State. On 13 March 1943, however, the West Australian edition was discontinued because of its cost. Circulation of this edition was 2,678 compared with a national circulation of 39,750. In addition matrices of this edition were sent from Sydney for printing in Perth.

Qs. 47, 59
and Committee
File 1968/3

36. Although circulation of the journal increased until 1947 there was a decline in later years, particularly in South Australia, and Victoria, where similar publications were available, and also in Tasmania. Because the circulation in these three States did not justify the publication of separate editions, it was decided that they

be discontinued as from 3 February 1951. The sale price of the paper was increased from 3d to 4d on 1 June 1949, 4d to 6d on 9 June 1951, and from 6d to 9d on 6 September 1952.

37. The Weekly contained details of the broadcast programmes of national and commercial stations, background notes on future programmes, and articles or short stories. The latter usually related to radio were sometimes obtained from contributors outside the Commission. In August, 1954 however, it was decided that the general content of the journal should be derived primarily from the more outstanding spoken word material from the Commission's broadcasts.

. T.V. News-Times

38. On the introduction of Television in November 1956, details of ABC and later of Commercial programmes were published in the New South Wales and Queensland editions of the A.B.C. Weekly. Soon after this, however, because of a sudden sharp increase in printing costs, the commission found that there were two courses open to it, either:

Qs. 47, 59 and
Committee File
1968/3

- . to change the character of The A.B.C. Weekly entirely, in an effort to win new circulation among television viewers;
- . to refuse to change the Weekly's 'personality' but also to establish a separate television magazine.

The Commission, in April, 1958 chose the latter course and approved the publication in Sydney for an experimental period of six months, of a television programme journal, known as TV News. The first publication of this journal appeared on June 28, 1958.

39. As the TV News prospered further editions were approved for Melbourne, Brisbane and Adelaide. At the same time, however, falling circulation and mounting costs of The A.B.C. Weekly obliged the Commission to discontinue this publication as from 28 October, 1959. The Commission at the time expressed a desire to publish at some future date a periodical of a serious character similar to the BBC publication the Listener. When the decision was made in 1958 to publish TV News, there was only one weekly journal in Sydney, Tele-Preview, supplying television programme details and the Commission considered that its proposed publication could establish a substantial circulation and provide the medium required to promote publicity for its television programmes.

40. Following the Commission's decision in April, 1958 to publish TV News two other television programme journals TV Times and TV Week were introduced in Sydney.

The publication TV News appeared one day ahead of TV Times and eleven days ahead of TV Week. Circulation of these magazines was not at first very high, TV News and TV Times each sold between eight and eleven thousand copies weekly, while TV Week and Tele-Preview each had a weekly circulation of between four and six thousand copies.

41. In September 1958 the publishers of TV Times approached the Commission with the suggestion that the ABC take over the journal. This was agreed to by the Commission and the ABC Journal was subsequently named TV News-Times. By 1959 TV Week had absorbed Tele-Preview, leaving only two television publications in Sydney. In November, 1958 the Commission approved a Brisbane edition of TV News-Times to be published on a fortnightly basis containing for the most part material already used in the Sydney edition. In December, however, the Commission decided that this edition be published on a monthly basis.

Qs. 47, 59
and Committee
File 1968/3

42. Subsequent to the termination of an experimental period, when the average net circulation of TV News-Times was 15,365 per issue, the Commission in December 1958 approved continuation of the Sydney and Brisbane editions. In March, 1959 as the circulation of TV News-Times had continued to rise, provision was made for separate weekly editions in Melbourne commencing 21 August, 1959, Adelaide commencing 5 September 1959, and Brisbane commencing 28 October 1959. The title of the publication, TV News-Times was shortened to TV Times in October, 1959 at the time of the introduction of the Brisbane weekly edition. A West Australian edition was first published on 22 June 1961 and country editions followed as regional television stations were subsequently established. The Commission now publishes fourteen editions of TV Times each week. Details of these editions are given in Appendix 3 of this report.

43. TV Times was originally printed in Sydney by Invincible Press, a subsidiary of Truth and Sportsman, later Mirror Newspapers Ltd., which was subsequently sold to the Fairfax organisation. In mid-1960 Mirror Newspapers Ltd. was sold to the publisher of the Commission's rival publication TV Week. In Melbourne TV News-Times was first printed by Herald-Gravure, a subsidiary of Herald and Weekly Times and later by Melbourne Truth and Sportsman. Printing in Brisbane was originally handled by the Courier Mail and in Adelaide by the Griffin Press.

In October, 1960 the Commission agreed to a joint venture with Australian Consolidated Press Ltd. for the publication of TV Times, to commence as from 1 January, 1961. TV Times is still published under this agreement. Material for the journal is prepared by Commission Staff under the Managing Editor, who is directly responsible to the Management Group. The Commission controls the entire contents of TV Times, both editorial and advertising. Financially the joint venture is managed on an equal partnership basis between Consolidated Press and the Commission through a joint Committee of two delegates from each organisation.

• A.B.C. Radio Guide

44. Publication of the ABC Weekly was discontinued in 1959 and a smaller weekly publication called the ABC Radio Guide has been published since 1963. When asked what action was taken by the Commission between 1959 and 1963 to ensure that programme details were made available to interested radio listeners we were informed that when the Commission decided, in August, 1959 to discontinue publication of the Weekly in New South Wales and Queensland it resolved, for the benefit of listeners details of ABC radio programmes for those States be published in TV News-Times. It was felt that adequate coverage of programme details was given by private enterprise publications in Western Australia, South Australia and Victoria. Initially some four pages of radio programmes were printed in the TV News-Times. Subsequently the number of pages in TV Times devoted to radio programmes was increased to seven.

Exhibit 110/1
Qs. 64, 65
and Committee
File 1968/3

45. In November, 1961 radio programmes ceased to be published in TV Times. The reasons for this were that the TV Times management committee decided that radio programmes were out of place in a television magazine and that radio listeners objected to buying TV Times for radio programmes. As in the case when the ABC Weekly ceased to exist, it was again agreed that New South Wales and Queensland radio listeners should continue to have available to them details of ABC radio programmes. Accordingly, in November, 1961, the Commission began issuing in these two States a weekly Radio Programme Guide consisting of duplicated programme sheets, distributed free of charge at ABC offices, by post on payment of \$2.20 annually to cover postage or as a free insert with subscription copies of TV Times. Initially the guide was printed by the Commission's own Printing Section,

Qs. 64, 65 and
Committee
File 1968/3

but as demand for it increased, outside printers were engaged.

46. At the end of the first year of its publication the Guide had 3,469 subscribers in New South Wales and 706 in Queensland. It was decided that to coincide with the introduction of the programme network re-organisation known as *NEWRAD*, a new printed guide to be known as the *ABC Radio Guide* would be issued at 6d per copy commencing on 28 July, 1963, in NSW, ACT and Queensland. The free Radio Programme Guides were discontinued as from 21 July, 1963.

Qs. 64.65 and
Committee File
1968/3

47. Further editions of the Radio Guide were introduced in Western Australia on 30 August, 1964 and in South Australia on 9 August, 1966. The guide is prepared by the ABC Publicity Department in Sydney, and all editions are printed by Cumberland Newspapers Pty. Ltd. As from 1 December, 1967 the price of the Guide was increased to 7 cents per copy, post free to subscribers. Newsagents and other selling agencies are allowed a commission of two cents per copy.

Other Wartime Activities of the Commission

48. The activities of the Commission mushroomed under the impetus of war. The staff of 265 taken over by the Commission on its establishment had increased to just under 500 by 1939 and to over 1,100 by June 1946. The twelve original stations had increased to twenty four and operating time had increased by more than 124,000 hours. At the outbreak of war, the Commission decided that its aim should be to maintain the morale of civilians with authentic and up-to-date war news, to publicise Government and Allied war aims and efforts, to provide entertainment and diversion for civilians, to provide entertainment and information for servicemen at home and overseas and to maintain community services. Although an acute manpower shortage followed the enlistment of permanent staff, musicians and artists, and the tours by overseas artists had to be suspended, general entertainment activities increased, both for troops and civilians. This activity led to the creation of a Light Entertainment Department in 1943. As twenty per cent of programme time was allotted to the war effort, there was a great increase in spoken word programmes. War correspondents were appointed to many battle fronts and the Commission's mobile Units were sent to the Middle East and South Pacific. In

Exhibit 110/1
and Q.72

addition to the broadcast of these and other overseas commentaries, a Commonwealth-wide news bulletin was provided three times a day through National and Commercial stations, made available on relay lines provided by the Postmaster-General's Department.

49. Censorship during the war necessitated the submission of scripts three weeks prior to broadcast, eliminated weather reports and other utility services and involved considerable pre-recording of programmes. Out of the need to continue services to the rural areas the session *The Town and Country Hour* was introduced and the development of other services led to the establishment of a Federal Rural Department in 1945. Another development from the provision of community services was the *Kindergarten of the Air* (1942). A Federal Sporting Section was formed in 1939 and a Federal Religious Broadcasts Section in 1945. Exhibit 110/1

50. The expansion of the war into the South Pacific area led to the establishment of radio stations in Port Moresby and Darwin which were absorbed into the Commission's network on the 1 July 1946. Arising from wartime communications, the Commission's relations with overseas broadcasting organisations were greatly expanded. The Commission had been represented in London since 1932, but following the first Commonwealth Broadcasting Conference, held in London in 1945, an official office was opened to continue the relations established with European organisations as well as to search for artists and programme material. A representative was maintained in New York from early 1942. Exhibit 110/1,
Qs.196 and 203

51. A new Australian Broadcasting Act, No.33 of 1942, incorporating most of the Gibson Committee's recommendations was assented to on 12 June, 1942. The main features of the Act were that it legislated for both National and Commercial stations; it provided for State Advisory Committees to be appointed to advise the Postmaster-General; it obliged all stations to broadcast a minimum two and half per cent of Australian music and it created a Parliamentary Standing Committee to investigate matters referred to it by Parliament or by the Postmaster-General. As far as the Commission was concerned, it provided that one of the Commissioners should be a woman; obliged the General Manager, as far as Exhibit 110/1

practicable, to attend meetings of the Commission; restored \$0.10 per licence to Commission revenue; and obliged the Commission to include in its Annual Report any directions received from the Postmaster-General to broadcast or refrain from broadcasting any matter. The Commission was also authorised under this Act to arrange and hold public concerts and entertainments provided that the whole or part of the concert would be broadcast.

Radio Australia

52. A function not specifically covered by the Broadcasting and Television Act is the provision of shortwave service by Radio Australia. At the request of the Commonwealth Department of Information the Commission arranged, in December 1939, to broadcast shortwave programmes to certain overseas countries. Transmissions began officially on 20 December, 1939, with a speech by the then Prime Minister, Mr. R. G. Menzies, in which he outlined the reasons for Australia going to war and in which he said that the time had come for Australia to speak for itself.

Exhibits
110/1, and 3,
Qs. 488, 489
and
Committee
File 1968/3

53. Radio Australia is said to be virtually unknown in Australia, apart from isolated parts of Northern Australia where it is a useful adjunct to other radio services. There are technical reasons for this in that transmissions are bounced off the ionosphere at such an angle that in Australia, south of the Tropic of Capricorn, Radio Australia cannot be heard clearly except through specially tuned sets. Working along comparatively modest lines, Radio Australia, the Overseas Service of the Australian Broadcasting Commission, has achieved a standard which is admired by other nations providing a similar service.

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File 1968/3

54. Initially, programmes were broadcast in six languages - English, German, Dutch, French, Italian and Spanish - with services directed to North and South America, Europe, India, Indonesia, Japan, China and the Philippines. During the 1939-1945

War, apart from presenting the Allied case as seen in Australia, Radio Australia transmitted news of home to Australian servicemen overseas and maintained contact with the people of countries under Japanese occupation. By 1943 there were daily services broadcast in French, English, Japanese, Mandarin, Dutch, Malay and Thai, indicating the change in emphasis from Western to Asian orientation of the service.

55. Until mid-1940 the Australian Broadcasting Commission had been responsible for the overseas service. The short wave service was then taken over by the Department of Information, but was restored to the Commission following an inquiry by a Cabinet Sub-Committee in January 1942. The question was later examined by the Parliamentary Standing Committee on Broadcasting which, early in 1943, reported "we agree with the Commission's opinion that the primary function of the (overseas) service should be to project Australia's characteristics, achievements, aspirations and points of view into the consciousness of other peoples", and that "we endorse the important principle emphasised by the Commission that its bona fides as a national independent authority should be preserved overseas, so that audiences abroad will be conscious of receiving news and other services which are not operated by a government". Despite this and a similar recommendation made by an inter-Departmental committee, the service was transferred back to the Department of Information as from 1 April 1944. On 1 April 1950, however, shortly after the general election of December 1949, Radio Australia reverted to the Australian Broadcasting Commission.

56. In making the change the Cabinet gave a direction to the Commission that it should reduce substantially the expenditure on, and the activities of, Radio Australia, which was at that time broadcasting in several European languages as well as Indonesian and Thai. Programmes were subsequently orientated to neighbouring countries in Asia and the Pacific, and to North America. All European languages other than French were eliminated, programmes in this language being directed to French

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possessions in Asia and the Pacific.

57. The number of Asian languages transmitted increased until the bulk of signal strength was concentrated on Asian countries. At the beginning of 1956 Radio Australia had three foreign language services, one and three quarter hours daily in French, one hour daily in Indonesian and one hour weekly in Thai. At that time there were eight people on the foreign language staff. By mid 1964 there were seven foreign language services daily - Indonesian four and a half hours; French two hours; Mandarin two hours; Japanese one hour; Thai one hour; Vietnamese one hour; and Cantonese one hour. At that time the foreign language staff had increased to fifty.

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58. The Indonesian service is Radio Australia's biggest foreign language section, with a staff of sixteen, most of whom were recruited in Indonesia. The Indonesian programmes include six news bulletins each day, regular current affairs and talks programmes, and a wide variety of music and general entertainment. Radio Australia's world-wide English language service includes twenty three and one half hours continuous broadcasting each day to the Asia and Pacific regions as well as broadcasts to other geographic regions covering most of the world.

59. During 1966-67, Radio Australia's Transcription Service provided 5,000 tapes of its programmes for re-broadcast by overseas stations. It was said that the Commission had been asked on some occasions to carry on its Radio Australia programmes transmissions programmes prepared by other organisations because it was felt that the impact that Radio Australia has, particularly in South East Asia, is greater than that of other similar organisations.

Qs.133 to 135
and Committee
File 1968/3.

60. The COMPAC and SEAGOM submarine cables have brought immediacy and great listening clarity to Radio Australia's current affairs coverage, and have also improved co-operation in international broadcasting. During 1967 Radio Australia

was able to give coverage for Radio Malasia via SEACOM of the visit to Australia of the Malaysian Foreign Minister, Tun Abdul Razak; it also provided a coverage in French for the Laotian Government broadcasting service of the visit to Australia of the Laotian Prime Minister, Prince Souvanna Phouma.

.Radio Australia News Broadcasts

61. Radio Australia's news service is part of the Commission's news service and is directed under the authority of the Commission's Controller of News. It draws its information from the Commission's Australian and overseas staff, as well as the international agency services to which the Commission subscribes. It was said that Radio Australia's reputation for the presentation of a comprehensive, reliable news service, and authoritative current affairs programmes, has few rivals in international broadcasting. Forty four news bulletins daily, twenty nine in English, six in Indonesian, three in French, two in Mandarin, and one each in Japanese, Vietnamese, Thai and Cantonese. There is a bulletin going on the air at least once every hour, and at certain times there are several. For example, at midnight, Australian Eastern Time, there is a bulletin in English to South East Asia, in Thai and also in Cantonese, all three broadcast simultaneously in separate transmissions. Many experienced correspondents have testified that Radio Australia is the news service most quoted by South East Asian newspapers and broadcasting organisations. Government and political officials throughout South East Asia rely on its accuracy.

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File 1968/3

62. Radio Australia is monitored extensively in the offices of leading newspapers and influential people throughout Asia, much of its material appearing in printed form in many languages. Extracts from its news bulletins and current affairs programmes are also re-broadcast. It was said that Radio Australia would include political views where these are necessary in its current affairs programmes,

Qs.133 to
135, 433,
434 and
Committee
File 1968/3

6.433 and
434

but that normally controversial party issues are not presented and that in this respect the Commission's policy is complete impartiality.

•Other Programmes

63. Radio Australia commenced transmission of English by radio courses to Indonesia in 1959 with a series of one hundred and four half hour lessons. At the beginning of the seventh in the series of language courses in 1964 nearly two million booklets, a guide to the course, had been distributed. It was said that, apart from language lessons, Radio Australia fulfils a useful educational role in Asia and elsewhere and that this has been confirmed by reports from teachers who have written to the effect that programmes have provided basic material for lessons, particularly in geography, social studies and wild life.

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64. Radio Australia presents a wide range of general programmes - popular music, including the weekly Hit Parade and the nightly Listeners' Choice, entertainment productions such as the twice-weekly Variety '68, and talks programmes such as the weekly Australian Memo, a programme spotlighting current affairs in Australia, and another weekly programme, Science Today. Radio Australia relays some A.B.C. home service programmes; for example, selected light music programmes and the daily 'Kindergarten of the Air', but most of its programmes have to be specially prepared for the overseas audience.

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File 1968/3

65. Sporting broadcasts are an important feature of Radio Australia's coverage, with a special emphasis on events of interest to Asians. For example, Indian listeners could hear the A.B.C.'s ball-by-ball description of the recent India v. Australia Test Cricket series either directly on Radio Australia or through All India Radio, which, by special arrangement, relayed the Radio Australia coverage. Because badminton enjoys a large following in many Asian countries,

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File 1968/3

Radio Australia recently broadcast a detailed coverage of the contest for the international badminton trophy, the Thomas Cup, which was held in Djakarta.

.Significance and Impact of Radio Australia

66. To understand the significance of Radio Australia today, an appreciation is needed of the role of shortwave broadcasting in Asia and the Pacific, Radio Australia's main target areas. In many of the countries of the regions, shortwave is the normal form of radio listening, in contrast to countries such as Australia and New Zealand where short-range medium-wave broadcasting predominates. For example, Radio Republik Indonesia, Indonesia's national broadcasting service, is shortwave only - a listener in Indonesia can, therefore, switch from R.R.I. to Radio Australia or to any other international shortwave service as easily as listeners in Sydney or Melbourne switch from one local station to another. During peak listening periods in the morning, afternoon and evening, there is a choice of English or Indonesian programmes; in the off-peak periods, broadcasts are in English only. The Indonesian language service is on the air for six hours each day. Through Radio Australia, the voices of Indonesian announcers have become familiar to millions of their countrymen. This service provides a unique opportunity for the development of goodwill and understanding between the peoples of Australia and Asian and Pacific countries.

Committee
File 1968/3

67. With respect to the impact made by Radio Australia, it was said that it is impossible to undertake a survey of listeners similar to that used to estimate domestic audiences in developed countries. We were informed, however, that if there is any accepted yardstick it is the number of letters received, having regard to the difficulty of many Asian listeners in despatching letters and the cost to them of airmail postage. Radio Australia receives some

Qs.421 to
424 and
Committee
File 1968/3

250,000 letters annually, mainly from Asia, and on this basis the daily audience of the service has been estimated in tens of millions. Most of the mail received by Radio Australia contains requests for information, additional programmes and for particular types of music. He said that a very low level of critical comment was received in the Radio Australia mail.

68. In triennial listening polls conducted by the International Shortwave Club in London, Radio Australia is always among the leaders and three times since 1956 has topped the poll. During 1965-66, a poll among members of the Japanese Shortwave Listeners' Club gave Radio Australia top placing in popularity, followed by the B.B.C. External Services and Voice of America.

Further Post-war Developments

69. From 1942 until 1947, the Parliamentary Standing Committee conducted its investigations, reporting on such matters as news services, programme administration, finance and personnel, frequency modulation and television, the A.B.C. Weekly, sex broadcasts, use of overseas material and technical services. In its Fifteenth Report, dated 1 May 1947, the Parliamentary Standing Committee on Broadcasting stated that in March 1946 the Chairman of the A.B.C. expressed the Commission's opinion that to effectively carry out its Charter, the A.B.C.'s share of the licence revenue should be raised to \$1.50 of each full fee broadcast listener's licence. The Postmaster-General referred this matter to the Parliamentary Standing Committee on Broadcasting on 29 April 1946. The Committee submitted a report to Parliament (Thirteenth Report) on the subject on 3 July 1946, in which it indicated that it had not been able to fully investigate the matter in the time available to it, but recommended that this should be the first duty of the incoming Committee to be constituted after election of the new Parliament.

Exhibit 110/1
Q.42 and
Committee
File 1968/3

70. The new Committee duly considered the matter and in Fifteenth Report favoured the retention of the method of financing whereby income from licence revenue was supplemented by grants from Consolidated Revenue, but on a three year rather than an annual basis. However, it recommended that before a final decision was made there should be an independent report by a senior official of the Treasury or the Auditor-General's Department so that Parliament might be satisfied that there was adequate provision in the Commission's accounting system for regular review by the Commission of each section of its activities. The Government subsequently appointed a Committee comprising A. A. Fitzgerald, Chairman (Mr. (later Sir Alexander) Fitzgerald was, at that time, Chairman of the Commonwealth Grants Commission), E. G. Bonney (Director-General of the Department of Information) and W. T. Harris (a senior officer of the Commonwealth Treasury). This Committee, set up in July 1947, made an exhaustive and detailed investigation into the financial and administrative structure of the A.B.C. The Committee reported to the Postmaster-General in March 1948 that, while some savings could be effected in the Commission's organisation, it was clear that on its then level of activity the Commission could not meet its financial obligations under the Act and that its activities must be substantially curtailed or else its revenue substantially increased. The report, however, expressed satisfaction with the general administrative and financial control of the Commission. Subsequent to this report, a Cabinet Sub-Committee recommended that the Commission should in future submit estimates to Parliament instead of obtaining its revenue from licence fees, and that appropriations should be made on the basis of the estimates submitted annually by the Commission.

Exhibit 110/
and Q.43
to 46

71. Three further developments, unrelated to the war, increased the expansion of the Commission's activities in the immediate post-war period. First, in July 1946 an Act was

passed to provide for the broadcasting of Parliament through the Commission's networks. This was followed by a major re-organisation of the dual network system to fit Parliamentary broadcasts into the existing framework. The third development was in respect of the collection of news. Prior to the 1946 legislation, the Commission was able to collect, in such manner as it thought fit, news and information relating to current events in any part of the world and to subscribe to news agencies. News bulletins were broadcast prior to 1946, the information being obtained initially from newspapers. The first news bulletins consisted of items selected from newspapers, read by the Commission's announcers. At a later stage information was obtained from the Press in the form of proofs and then gradually, and at first in Canberra, staff was appointed to supplement information obtained from the Press. It was the majority opinion of the Parliamentary Standing Committee that, just as the Commission had a special charter in the Broadcasting Act to establish groups of musicians for the performance of orchestral, choir and band music of high quality, so also it should have statutory authority to establish groups of journalists for the attainment of its objective of independence in the sphere of Australian news and, as far as possible, overseas news.

Exhibit 110/
Q.76 and
Committee
File 1968/3

72. The Parliamentary Standing Committee on Broadcasting in its Fourteenth Report dated 4 July 1946 recommended that the Act be amended to provide that the Commission shall, subject to the Act -

Q.76 and
Committee
File 1968/3

- . Establish its own independent service in respect of Australian news; and
- . Procure its overseas news direct, through its staff abroad, from such overseas agencies as the Commission deems fit, as well as from such independent sources as the Commission deems it desirable to use.

73. The Amending Act of 1946 incorporated in statutory form this recommendation by the Parliamentary Standing Committee on Broadcasting, which had given detailed attention to the issues involved in the preceding years. This amendment also related to staff regulations governing conditions of employment, promotion and discipline. Subsequently, in 1960, by amendment to the Broadcasting and Television Act, the terms and conditions of employment of the Commission's staff became subject to the approval of the Public Service Board. Australian Broadcasting Commission Staff Rules were then issued. The staff rules which were operative prior to 1946 became Regulations under the Commission Act. Since 1960 staff Rules have been made by the Commission with the approval of the Public Service Board.

Exhibit 110/1
and Q.78
and Committee
File 1968/3

74. In 1946 agreement was reached with the N.S.W. Government and the Sydney City Council for the formation of a permanent Sydney Symphony Orchestra. Similar arrangements were agreed to in Queensland in 1947, Tasmania in 1948, Victoria and South Australia in 1949, and Western Australia in 1950. The agreement in respect of the Sydney Symphony Orchestra followed discussions which took place early in 1946. It was said that points of agreement were listed, such as the size of the orchestra, contributions in support of the orchestra, and that suggestions be made by the advisory committees in respect of the orchestra. This list of points, with very little alteration, has continued to be the basis of the agreement. Formal agreements were entered into between the Commission and authorities in the other States.

Exhibit
110/1 and
Cs. 79
to 84

75. Following this rapid expansion, the Commission, in its Annual Report for 1947, reminded the Government of "the pressure of rising internal costs, new responsibilities and the expanding development of this new medium" which inhibited its ability to indulge in long-term planning under existing financial arrangements. Consequently, and

Exhibit
Cs. 85 to 90
and
Committee
File 1968/3

following the Fitzgerald Committee's report, the Government in December 1948, passed a new Broadcasting Act which provided that the Commission should present annual estimates of expenditure and receipts to the Postmaster-General and since 1949-50 the funds available to the Commission have been provided from Consolidated Revenue on the basis of annual estimates. This Act also changed the constitution of the Commission by increasing its membership to seven, one of whom should be a representative of the Treasury, and one a representative of the Postmaster-General's Department. Subsequently, however, the 1956 Broadcasting and Television Act provided that departmental representation on the Commission should cease, although the number of Commissioners should remain at seven.

76. The 1948 Act also created the Australian Broadcasting Control Board, which is vested with certain powers over radio broadcasting (and later television) as a whole, designed in part to co-ordinate in the public interest the activities of both National and Commercial stations.

77. The post-war years up to the introduction of television saw the growth and consolidation of programme services especially in the regional areas, the resurgence of interest in music as the number of concert subscribers increased and orchestras and artists began to travel to rural centres, and the return of Radio Australia to the Commission. The Commission immediately pressed for more specialised targets for the Overseas Service to direct its activities more effectively to those areas where Australia's immediate interests appeared to be greatest.

Exhibit 110/1

78. During 1951-52, the twentieth year of its establishment, the Commission broadcast from fifty four transmitters for a total of 335,490 hours. During that year total music broadcast included 4.37 per cent of Australian music; over 73 per cent of all schools made use of the Commission's education sessions; programme time taken up by Parliamentary broadcasts in 1951-52 increased by 35 per cent over the previous year, and in the same period the A.B.C. Weekly closed the year with a net profit of \$556. During 1952 504 orchestral concerts were given for 39,372 subscribers.

Exhibit 110/1

The Introduction of Television

79. For several years before the introduction of television, the Commission was concerned with the policy aspects of television programming and also, so far as it was able to enter this field, with administrative aspects in principle. Following a report by the Broadcasting Control Board, the Government, in June 1949, decided in principle to introduce a National television service. This decision, however, was not implemented.

Q.1068 and
Committee
File 1958/3

80. In October 1950 a Committee was appointed by the Government to make recommendations on the Australian National Television Service. The then Chairman of the Australian Broadcasting Commission, Sir Richard Boyer, presented the Commission's views to that Committee on the integration of staff and control of studios. In December 1950 the Committee decided that representatives of the Postmaster-General's Department, Australian Broadcasting Control Board, and the Australian Broadcasting Commission should be sent abroad to investigate certain administrative and technical aspects of an Australian television service. The General Manager of the Commission was overseas for this purpose in March and April 1951. In November 1951 Sir Richard Boyer presented a report to the Government on The Programme and Social Implications of Television as a Public Medium.

81. Because of the economic position at the time, the Government in March 1952, decided to defer the introduction of television, but to keep the matter under review. On 12 February 1953, a Royal Commission was appointed to enquire into the number of television stations to be established, areas to be served, conditions of establishment, programme standards, special conditions relating to political and religious broadcasts, advertisements, and periods of broadcasting. In March 1953 the Television Act 1953 was assented to. This Act provided that the Postmaster-General may make television stations available for transmission of television programmes provided by an authorised authority, and issue licences for commercial stations. The authorised authority was not named at this time. The report of the Royal Commission, presented in February 1954, recommended that the national service should be the responsibility of the Australian Broadcasting Commission.

Exhibit 110/1
Q.1068 and
Committee File
1968/3

82. It was said that the Government decision made in 1952 to defer the introduction of television in Australia had a negative influence on any immediate involvement by the Commission in the policy and administrative aspects of television programming. It was also said that the receipt by the Commission in August 1954 of its television charter left far too little time with the limited finance available to it to launch television from proper studios, and that it was only with the greatest difficulty that makeshift studios were prepared and equipped to present the services by the announced dates.

Q.1068 and
Committee
File 1968/3

83. In 1953 the Commission called a conference in Canberra of representatives of its Advisory Committees and other community representatives to discuss the policy and achievements of the Commission in relation to the original intention and opportunities of national broadcasting in Australia. The then Chairman, Sir Richard Boyer, was very keen at that time, when the introduction of television was being debated publicly, to have the benefit of a combined meeting of the various advisory committees in the States and the 1953 conference was organised for that purpose.

Exhibit 110/1
and Qe.93 to
97

84. In June 1954 the Commission's views on estimated costs of the service, hours of transmission, etc., were presented to the Broadcasting Control Board and the Postmaster-General's Department. The Commission was notified in August 1954 that its estimates were regarded as being unduly high. In September 1954 the Commission was named as the authority which was to provide the national television service.

Q.1068 and
Committee
File 1968/3

85. In view of the limited time available to it, the Commission's officers began in October 1954 to search in Sydney and Melbourne for premises suited for adaptation as television studios. This search was not successful and inspections began to be made of sites suitable for acquisition for studio buildings. In May 1955 the Commission was advised of a possible site at Gore Hill, Sydney, and began negotiations for the acquisition of land at Ripponlea, Melbourne.

86. In June 1955 the Department of the Treasury sought the views of the Commission on methods of securing revenue for the national television service. In July 1955 the Postmaster-General's Department made land at Gore Hill available to the Commission and in September 1955 the Commission approved plans for the Sydney studios and for the purchase of property at Ripponlea.

87. In October 1955 it was decided that expenditure on Commonwealth public works should be cut by \$20,000,000. The Department of Works subsequently advised the Commission that the Department of the Treasury had limited expenditure on television buildings and associated services in 1955-56 to \$400,000. Of this amount the Commission was allocated \$120,000 each for Sydney and Melbourne.

88. During July-August 1956 the Commission was advised that neither Sydney nor Melbourne buildings would be ready for the television opening night. It was then decided that equipment should be installed in a wartime Arcon hut on the Sydney site, and in an O.B. garage in Melbourne. National television in both Sydney and Melbourne was launched from these temporary studios in November 1956, some items of essential equipment being flown from England during the week prior to its commencement following the 'diversion' of original orders elsewhere. The present television buildings were not occupied until more than twelve months later.

89. The Broadcasting and Television Act of 1956 increased the Commission's authority to incur expenditure without reference to the Minister from \$10,000 to \$40,000, the limit of \$10,000 having been operative since 1932. It was said that the increase to \$40,000 was needed to provide for the purchase of television film and equipment. The Broadcasting and Television Act of 1956 also authorised the Commission to provide technical services in television studios and control rooms, increased the obligatory minimum of Australian music to be broadcast by both National and Commercial stations to five per cent of the time allotted to the broadcasting of music, and provided that departmental representation

Exhibit 110/1
and Q.98

on the Commission should cease.

90. It was said that the latter provision was probably influenced by the Report of the Public Accounts Committee on the Australian Aluminium Production Commission and the Committee's attention was drawn to the Second Reading speech on the Bill, made by the Postmaster-General. The Postmaster-General said that the decision to discontinue the practice of appointing to the Commission an officer of the Department of the Treasury and an officer of the Postmaster-General's Department was not precisely in the terms of the recommendations of the 1954 Royal Commission on Television, which suggested that two additional Commissioners be appointed, but that it was consistent with the spirit of the Commission's recommendations in that two new Commissioners would be appointed to replace the departmental nominees. The Postmaster-General said that the Government considered that the members of the Commission should be so chosen as to ensure that the people as a whole were represented by a broad cross section of the community and that, should that principle be adhered to, there would be little danger of the great power of the national and television services being employed for sectional interests.

Q.85 and
Committee
File 1968/3

91. Stage 1 in the introduction of the National Television Service was completed with the opening of television stations AEN2 Sydney and ABV2 Melbourne on 5 and 19 November 1956, respectively. Interest was given by the coverage of the Olympic Games in Melbourne during November 1956, at which the Commission played host to broadcasting and television staff from thirty seven countries. In November of the same year Australia was host to the Commonwealth Broadcasting Conference, the third of its kind and the first held outside London. These conferences are held over a period of two or three years, the venue being selected by the conference on a rotating basis.

Exhibit 110/1
and Q.99

92. The development of television continued through Stage two, covering transmitters in all State capitals, and was completed in 1960. Stages three and four covering main country centres have now been completed, with the exception of a permanent station for Cairns where a temporary station is at present providing a service. A 'primary' service is now provided to almost every substantial area of population - approximately 93 per cent of the total. It was said

Exhibit 110/1
and Q.101

that the decision in respect of what is a substantial population for this purpose would be made by the Australian Broadcasting Control Board and would probably be between 25,000 and 30,000 people. Further plans for television translator stations which will service restricted isolated areas are now in the development stage.

93. The Australian Broadcasting Control Board is responsible for preparing plans for providing television services for approval by the Minister. In carrying out this function in regard to the National Service it consults with the Postmaster-General's Department and the Australian Broadcasting Commission. The object of a translator is to serve pockets in the service area of a main television station or areas of population towards its limits where, for one reason or another, the service is unsatisfactory. The existence of these areas is usually determined by field intensity measurements, which are made to confirm that the station is in fact serving the area for which it was planned or by an examination of complaints from viewers.

Qs. 101 to
103 and
Committee
File 1968/3

94. It was said that the first consideration in determining where a translator should be situated would, perhaps, be to locate the station where it will provide service or improve the service for the greatest number of viewers. A decision on this matter would involve consideration of such factors as the existence or availability of a suitable site with power and road access, the availability of satisfactory signals from a parent transmitter at the translator site, the availability of suitable operating channels for the translator, and, to some extent, the grade of service that the area in question is receiving. The rate at which translators are installed was said to be influenced to a large extent by the availability of funds for the development of the television service.

95. By June 1967 the Commission was able to report that its television programmes in 1966-67 had achieved approximately 68 per cent Australian content. In the field of drama, thirty six of the forty one plays produced in that year were written by Australian authors. A publication featuring television programmes

Exhibit 110/1

introduced as TV News in 1958 and now called TV Times, had, in December 1966, the third largest sales of weekly magazines in Australia.

Recent Changes in Organisation and Establishment

96. In radio, 1963 saw the first major re-organisation of the network system since 1946, when NEWRAD was introduced to improve the balance of programmes for Third Network, i.e. regional listeners. The replanning of the First and Second Networks was also designed to give a wider range of programmes. In 1964 the Commission began the takeover from the Postmaster-General's Department of radio technical services in studios and control rooms. This involved large-scale industrial negotiations and transfers of staff in all States. The reason for this transfer was said to be greater efficiency which could be expected from the Commission having control of technical services.

Exhibit 110/1
and Q.100

97. An amendment to the Broadcasting and Television Act in May 1967 increased the number of Commissioners from seven to nine, commencing July 1967. In his Second Reading Speech on the Bill on 4 May 1967 the Postmaster-General, Mr. Hulme, said that since the determination of the number of Commissioners the Commission's services had been greatly expanded, not only in the broadcasting field but also in the field of television - a new service which had grown to an almost nation-wide coverage of population in ten years. Mr. Hulme also said that the Government realised that the Commission is faced with many and varied problems in fulfilling the range of its responsibilities to the community, and that to bring the best spread of experience to these problems, as well as to ensure that the national service is not employed in the interests of any particular group, it was proposed to increase the number of Commissioners from seven to nine. An additional reason for the increased membership was said to be the need for State representation on the membership of the Commission. It was said that, although there is no statutory requirement, it has been the practice since the present Government has been in power for each State to be represented on

Exhibit 110/1
and Qs.111 to
114

the Commission and an increase in membership of the Commission from seven to nine allowed a little more flexibility in the selection of members.

98. The increase in staff and services resulting from television and the transfer of radio studio technical services had become stabilised by 1965 and in that year major changes were made in the top managerial and departmental organisation of the Commission which provided for clearer definition of functions and lines of authority. These changes involved the introduction of business management procedures and organisation found to be efficient in other parts of the world.

Exhibit
110/1 and
Qs.115 to 117

A.B.C. Achievements

99. The A.B.C. has grown in status in the international sphere over the past ten years. In addition to those in London and New York, overseas offices have been opened in Singapore, Djakarta, Kuala Lumpur, Tokyo and New Delhi, as well as in Washington, and a representative is employed on a full time basis in Saigon. Greater maturity in programme productions has won the Commission major prizes in international competitions, such as Prix Italia, as well as many Australian awards.

Exhibit 110/1
and Qs.117
to 119

100. The Commission is a foundation member of such organisations as the British Commonwealth News Film Agency (VISNEWS); the International Television Federation (Intertel), the purpose of which is to make documentary films on pre-selected subjects of international significance; and the Asian Broadcasting Union (A.B.U.), which has the aim of fostering closer ties with broadcasting organisations in Asia. The Commission has for many years been an associate member of the European Broadcasting Union (E.B.U.) and also makes substantial contributions to various United Nations organisations.

101. The Commission, probably the world's largest concert entrepreneur, brings artists from all over the world to Australia and in 1966-67 arranged over 700 concerts in both city and country areas. Seven overseas orchestras have visited this

Exhibit 110/1
and Q.142

country since 1959 in conjunction with the Commission's concert organisation and two of the Commission's orchestras have made tours overseas. Since the establishment of the Australian Elizabethan Theatre Trust the Commission has played a major role in assisting it in the development of opera and ballet. Public concerts presented by the Commission include subscription concerts, recitals, school concerts and youth concerts. This is contrary to the practice in most western countries, where public concerts are mainly promoted and presented by entrepreneurs and not the State or its authorities. In European countries, Britain and North America there is no one organisation which presents as many concerts in a year as does the Australian Broadcasting Commission.

102. The Commission has played a major part in such world-wide satellite transmissions as 'Our World' in June 1967, when it made the only contribution from the Southern Hemisphere to this historic programme. It is envisaged that pictorial coverage of events of major public interest overseas will be available by satellite transmission on a regular basis. For example, on Monday, 1 April 1968, the Commission was able to present a direct telecast by satellite of President Johnson's historic speech on the war in Vietnam and his own political future within a few hours of its actual presentation.

Exhibit 110/1
and Q.143

103. The Commission's programmes are broadcast through seventy three medium wave and ten domestic short wave radio stations and forty eight television stations, including nine translator stations. In addition, the overseas short wave service operates through four transmitters.

Exhibit 110/1
and Q.143

Chapter 3

Organisation and Functions

104 The functions and powers of the Commission are defined in Part III of the Broadcasting and Television Act 1942-1967. The Parliamentary Proceedings Broadcasting Acts (No. 20 of 1946 and No. 35 of 1960) also impose obligations on the Commission. Sections 43, 45, 46 and 46A of the Broadcasting and Television Act 1942-1967 authorise the Commission to create positions, to appoint staff and, with the approval of the Public Service Board, to determine the salaries or range of salaries applicable to positions within the service of the Commission. It may also abolish any position in the service of the Commission and, with the approval of the Public Service Board, reclassify any position on the establishment of the Commission. The approval of the Minister must be obtained, however, where the salary or range of salary of a new position or reclassification of an existing position exceeds \$7,500 per annum. Salary and conditions of service as determined by the Commission are subject to the approval of the Public Service Board. The Commission has a Disciplinary Appeal Board and permanent staff promotion is subject to appeal to that Board.

Exhibits
110/1,
110/3 and
Q. 9

The Commission

105 The Broadcasting and Television Act 1942-1967 provides for a Commission of nine part-time Commissioners, one of whom is the Chairman and another the Vice-Chairman. At least one member of the Commission must be a woman. Although not required by the Act, each of the six Australian States has a representative on the Commission. Commissioners are appointed by the Governor-General. The Commission determines the overall policy of the organisation. Major questions of management, including finance and

Exhibit
110/3 and
Q.8

personnel, and matters involving controversy are normally decided by the Commission, which usually meets once each month. Details of the membership of the Commission are given in Chapter 2. The Chairman informed us that the utmost confidence exists between the Commission and the management. Consequently the Commission is able to approach its task of laying down policy for the Commission as a whole, confident not only of obtaining sound advice but also that the policies it does lay down will be loyally and faithfully administered.

106 It was said that the Commission continually assesses and reviews the work of its General Manager and staff to ensure that radio and television programmes are maintained and, as far as is appropriate, developed and expanded to meet what seems to be, in the Commission's judgment, the changing tastes and needs of the community. Q.9

The Management of the Commission

107 The Broadcasting and Television Act 1942-1967 provides for the appointment by the Commission of a General Manager who shall be chief executive officer of the Commission. Within powers delegated to him by the Commission, he is responsible for the management of the Commission in accordance with the policies and standards laid down by the Commission. We were informed that when the General Manager is unable to attend meetings of the Commission, his deputy attends in his place. As shown in Chart No. 1 Appendix No. 4 the General Manager has the immediate assistance of two officers, the Deputy General Manager and the Assistant General Manager, the three constituting a senior management group. Exhibit 110/3, Q. 233 and 234.

108 It was stated that while management in the Commission has much in common with management in other fields, there are some important differences. First, the Commission does not produce a standard product. The Commission's product is its programme, each segment of a programme is different, and the decisions that have to be made in creating each segment of the programme are also different. Secondly, there is no precise formula whereby the Commission may establish whether or not its product is successful. Thirdly, the Commission's product is, to a large extent, the expression of the creative talent of the people employed by the Commission. The development and preservation of an atmosphere in which the talent of its people can grow, mature and be expressed constitutes a continuing management problem.

The Administration

109 The Commission's administration is divided into the following four divisions:-

Management Services
Programmes
News
Technical Services

The controllers of each of these divisions are responsible directly to the Senior Management Group. In addition to these divisions there are the following specialist departments which are also responsible directly to the Senior Management Group:-

Press and Public Information
Programme Sales and Procurement
Federal Concert
Secretariat
Organisation and Methods
Publications
Radio Australia

The functions and operations of these Divisions and Departments, as tendered in evidence, are set out below.

Management Services Division

110 Details of the organisation of this Division are given in Chart No.2, Appendix No. 4 to this Report and details of its establishment are given in Table No.1 below.

Table No.1Australian Broadcasting CommissionManagement Services DivisionEstablishment : 1966 to 1968

| | 1966 | 1967 | 1968 |
|-------------------|-----------------|------------|------------------|
| | (As at 30 June) | | (As at 30 April) |
| Head Office | 364 | 375 | 377 |
| New South Wales | - | 7 | 7 |
| Victoria | 117 | 120 | 117 |
| Queensland | 57 | 59 | 59 |
| South Australia | 49 | 52 | 52 |
| Western Australia | 49 | 53 | 53 |
| Tasmania | 47 | 48 | 48 |
| Papua-New Guinea | 27 | 32 | 32 |
| Overseas Offices | - | - | - |
| Radio Australia | - | - | - |
| Total | 710 | 746 | 745 |

Qs.283,
1087
and
Committee
File 1968/3

Source : A.B.C.

111 The Controller, Management Services, is responsible for the overall supervision of this Division. In carrying out his responsibilities the Controller has the assistance of a Controller of Finance; a Director of Personnel; a Supervisor, Buildings Planning; a Superintendent, Office Services; a Senior Legal Officer; and a Senior Internal Auditor.

112 We noted the various designations of these officers and were informed that the differences are somewhat historical in that the designations have not been changed during re-organisations within the Commission. The Controller of Finance is a more senior officer in terms of salary than the Director of Personnel or the Supervisor of Buildings Planning or the Superintendent of Office Services.

Qs.223
to 225

The Director of Personnel, in terms of salary, is senior to the Supervisor of Buildings Planning and the Superintendent of Office Services. It was said that the Commission was reviewing designations with a view to introducing some uniformity.

113. The Controller of the Management Services Division is responsible for the financial management aspects of the Commission and for providing, through the Finance Department, monthly financial reports to the General Manager and to the Commission at each of its meetings. We were informed that these reports contain details of expenditure incurred under various classified headings compared with a budget allocation for the period. Details of the revenue of the Commission, as distinct from Parliamentary appropriations, are also shown. In addition to the monthly reports made to the Commission, each controller and section head receives a similar but more detailed report from the Finance Department. These reports are issued in some instances, at fortnightly intervals for television programmes and at monthly or four-weekly intervals for other sections.

Exhibit
110/3
and Q.218

114. The Controller of the Division is required to advise on matters relating to administrative services, examine administrative problems, draft and where appropriate, issue instructions on matters relating to his responsibilities. It was said that this advice need not necessarily be given to the Commission, but could be submitted to the Management Group.

Exhibit
110/3 and
Q.219

115. The maintenance of relations with industrial organisations associated with the Commission is a duty of the Controller of Management Services. These relationships are both formal and informal. Constant informal relations are maintained with the secretaries of unions responsible for the various occupations of the Commission's staff. These include the ABC Staff Association, the Australian Journalists' Association, the Musicians' Union and Actors'

Exhibit
110/3 and
Q.220

Equity. However, because musicians constitute a large body of the Commission's employees, meetings are held with the Secretary of the Musicians' Union once every two or three weeks, in addition to formal talks with musicians.

116. The Controller is also required to supervise the administrative process relating to personnel management, including training, welfare, appointments, promotions, dismissals, transfers, allowances, etc., as well as legal matters, including contracts and leases. The Director of Personnel deals with such matters as training, welfare, promotion, dismissals, allowances and transfers, as well as industrial matters. We were informed that the degree of control exercised personally by the Controller, Management Services, in these matters depends on how far the Director of Personnel is able to settle the matters concerned, or what guidance he requires from the Controller or more senior officers.

Exhibit
110/3 and
Q.222

117. In addition, the Controller of the Division is required to make recommendations concerning the Commission's requirements for new office and studio buildings and the adaptation of existing buildings. He also has the overall responsibility for security in respect of personnel and buildings.

Exhibit
110/3

118. Of the total establishment of 377 in the Management Services Division, Head Office, the number located in the Internal Audit Section is five, one in Melbourne and four in Sydney. Auditing at State branches, apart from Melbourne, where there is a resident internal auditor, and Papua-New Guinea, is carried out through a programme of visits by auditors from the head office.

Qs. 226
to 231

119. The Commonwealth Auditor-General's Office inspects the accounts at the Commission's London office. In Singapore and Djakarta a firm of accountants inspects accounts and financial

Qs.229,230,
395 to 397
and 1100

statements several times each year before they are sent to Head Office. In smaller overseas offices, such as New Delhi and Tokyo, where expenditure is small, accounts are checked and audited in Sydney. We were informed that the Commission's overseas offices receive copies of financial instructions distributed throughout the State branch offices and that there has been no concern within the Commission in respect of accounting procedures at overseas posts. Staff members receive training in the implementation of accounting instructions before they are sent to overseas offices and on their return on leave are given a refresher course with Head Office, part of which is spent in the Finance Department. The Auditor-General's Office Observer, Mr. Johnson, said that his office is reasonably satisfied with the internal audit coverage of the Commission.

120. In recognition of the need for an organisation such as the Commission, which is seeking expertise in many areas to have a positive training programme the Commission has maintained a training school since early 1965. This includes a studio used for precise training in radio and television production work. Courses given by the Commission take the form of set instructional schedules which provide for the writing of essays and programmes to be presented by trainees at various levels. Training is given in all techniques of broadcasting on radio and television and also in administration and supervision.

Exhibit
110/3, and
Qs. 416 to
418.

121. We were informed that members of the Commission's staff have been sent to developing countries to assist in the training of staff and the establishment of broadcasting and television services overseas. Students from overseas countries regularly attend the Commission's training school, usually under the auspices of a government aid programme such as the Colombo Plan, Pacific Aid Plan, or the Special Grant Plan. Since 1952 people have come to the Commission singly, and in the opinion of the Commission this has not

Exhibit 110/1
Qs. 121, 128,
415 and 419

necessarily proved the most effective way of providing this type of training, although it is effective in individual cases and there are some students who benefit most from special on-the-job training. It was said that those views were made known to the Department of External Affairs several years ago.

122. We were informed that as many of the training requests received from Asian and African governments are in respect of rural broadcasting, the Commission commenced, several years ago, a course in this type of broadcasting for students from those countries. In recent years these have developed into formal training courses given in the Commission's own training school, and are separate from those given within departments. The course given by the Commission in recent years provided for both educational broadcasting training and rural broadcasting training in radio only, television only, or in both radio and television.

Q. 128

123. The Department of External Affairs co-operates in the Commission's training programme. Training arrangements are made on a government to government basis, the normal procedure being for the nominating government to request assistance or nominate a course to the relevant High Commission or Australian Embassy. This, in turn, is passed on to the Department of External Affairs, which seeks advice from the Commission as to whether it can provide the assistance requested. Information in respect of nominees is examined by the Commission and selection from them is made by the Commission and the Department of External Affairs. The criteria involved in selection of nominees include the ability of the student to assimilate whatever information might be given to him in English. Another consideration is the position of the person in his own organisation and his ability to absorb instructions at the level he may have reached in that organisation. Consideration is also given to the position of the nominee in his own organisation.

Qs. 130 and
145

having regard to the kind of instruction being offered by the commission. Another criterion is the importance of the nominating country and organisation in its own area and the importance of these to Australia, bearing in mind that in the Commission's Radio Australia broadcasts, the main area of interest is South East Asia.

124. We were informed that the Commission had asked the organisations concerned and the Department of External Affairs, which provides assistance in the organisation of courses, to give some particular emphasis to the inclusion of women broadcasters who could return to areas in the developing nations trained in the imparting of essential information to people who need it most. Q.128

125. Some eighty-eight officers attended fourteen-week courses conducted by the Commission in radio rural broadcasting during the six year period 1960 to 1966. In some cases an additional optional four weeks training in television rural work was also taken. These courses were provided under the Colombo Plan, Special Commonwealth African Assistance Plan or the Australian South Pacific Technical Assistance Plan. Qs.122 to 132 and Committee File 1968/3

126. Since 1952, on-the-job training has been provided by the Commission for 354 representatives of overseas organisations by ad hoc observation or attachment to the Commission's departments. Training by this method was carried out under various international training aid schemes. In addition officers of the Commission have been seconded to overseas organisations to assist with training and development projects under international aid schemes or on leave without pay. In all cases the salaries and travelling allowances of the officers concerned were either paid by international training aid schemes, such as the Colombo Plan or UNESCO, or by the organisations to which the officers were seconded. Qs.122, 132 and Committee File 1968/3

127. We were informed that courses offered by the Commission are limited by the number of organisations in need of such training. The Commission's courses are provided basically to students from South East Asia, Africa and the Pacific. However, as the Commission has only one training school its own demand for these facilities must be taken into account. It was said that to attempt more than was now being offered to overseas students would disrupt the Commission's own training programme because of the need to continuously review standards both in programme production and administration.

Qs. 145
to 147

128. Reference was also made to the quite heavy involvement of the Commission in the training of indigenous members of its staff in Papua and New Guinea. It was said that a number of these young men have been brought to Australia and as they do not always fit into courses which are appropriate for African and Asian students, some are given on-the-job training and special courses.

Q. 147

Programme Division

129. Responsibility for the programme output of the National Broadcasting and Television service is entrusted to the Commission with freedom from control by the Government of the day. The Commission is linked in a day-to-day technical partnership with the Postmaster-General and through him with his Department, the Commission as the programme producer and the Postmaster-General as the transmitter operator. The location, operating power and frequency of these transmitters is, however, the responsibility of another body established and constituted under the Broadcasting and Television Act - the Australian Broadcasting Control Board. The Board's power in this regard is, however, subject to direction by the Postmaster-General. A power which the Board has in relation to the National Services and which is not subject to any direction of the Minister, is to determine the hours during which programmes

Exhibit
110/3

may be broadcast or televised. The National Broadcasting and Television Service thus involves three parties - two statutory corporations, the Australian Broadcasting Commission and the Australian Broadcasting Control Board, and the Minister of the Crown, the Postmaster-General, and through him his Department.

130. Details of the organisation of the Programme Division of the Commission are shown in Chart No.3 Appendix No. 4 to this Report, and details of the establishment of the Division are given in Table No.2.

Table No.2
Australian Broadcasting Division
Programme Division
Establishment : 1966 to 1968

| | 1966 | 1967 | 1968 |
|-------------------|-----------------|--------------|------------------|
| | (As at 30 June) | | (As at 30 April) |
| Head Office | 407 | 448 | 423 |
| New South Wales | 375 | 427 | 468 |
| Victoria | 380 | 392 | 428 |
| Queensland | 131 | 125 | 152 |
| South Australia | 118 | 125 | 155 |
| Western Australia | 122 | 128 | 154 |
| Tasmania | 105 | 111 | 134 |
| Papua-New Guinea | 50 | 56 | 64 |
| Overseas Offices | 26 | 26 | 26 |
| Radio Australia | - | - | - |
| Total | 1,722 | 1,838 | 2,004 |

Qs.283,
1087 and
Committee
File
1968/3

Source : A.B.C.

131. A reorganisation of the Programme Division to ensure that there was no unnecessary duplication or overlapping of functions was carried out in 1965. A copy of the report of this reorganisation was submitted in confidence. Other surveys of the Division have been undertaken since 1965 and at the time of our inquiry a major examination of the organisation of the Programme Division in all States was being undertaken.

Qs.253
to 255

132. We were informed that, in respect of the Programme Department, the Commission is endeavouring to ensure that each specialist department will cease to work inside rigid barriers. It is intended that they should maintain their specialist status and provide specialist programmes required of them from their own area of operation, but beyond that they will form part of a team. Q.860

133. The Programme Division consists of five departments: Radio and Television Programmes, Radio Programmes, Television Programmes, Programme Services and a Publicity Department. ^{110/3} Exhibit
The functions of the Radio and Television Programmes Department are concerned with music, sporting broadcasts, children's session, education, religious broadcasts, rural broadcasts, talks and science. The functions of the Radio Programmes Department relate to entertainment, drama and features, and radio presentation. The duties of the Television Department are related to drama, special projects, television presentation, and television units such as Four Corners and This Day Tonight, and programme film production. The Programme Services Department is concerned with television production facilities, films, the record library, transcriptions, research and statistics, and copyright matters. The Publicity Department is responsible for the preparation of publicity for radio and television programmes.

134. The Controller of Programmes, who is responsible for the overall supervision of the Programme Division, has the immediate assistance of three officers in carrying out his responsibilities and in supervising the specialist departments within the Division. These are the Federal Director of Radio Programmes, the Federal Director of Television Programmes, and the Federal Director of Programme Services. ^{110/3} Exhibit
A regular basis for consultation exists between these ^{and Q.252}
Directors in that the Controller of Programmes confers with them on a daily basis. In addition, each of these officers has regular meetings with either the General Manager, Deputy General Manager or Assistant General Manager. Q.255

135. Close liaison between the Controller of Programmes and officers of other divisions is maintained through a committee which was established specifically to ensure that this liaison is achieved. There is a committee on which the Deputy General Manager, Assistant General Manager and Programme Heads are represented. In addition, there is another committee which meets monthly or more frequently and which is representative of technical officers, film officers, buildings department officers and programme officers. Should problems not be resolved by this committee, they are referred to a higher authority. It was said that while formal meetings are held apart from daily ad hoc meetings, it is necessary to go beyond formal meetings to meet the Commission's needs. Q.251

. The Provision of Programmes

136. Section 59.(1.) of the Broadcasting and Television Act, which relates to the provision of adequate and comprehensive programmes, requires the Commission to take, in the interests of the community, all such measures as in the opinion of the Commission are conducive to the full development of suitable broadcasting and television programmes. We were informed that a criterion used by the Commission to implement this provision is its judgment as to changes in taste in the community. Exhibit 110/3. Qs. 9 and 164.

137. On the question of criteria used by the Commission in the selection of programmes and also in the determination of changes of taste in the community we were informed that the Commission is representative of all States and has women members. Members of the Commission are in continual touch with the public and are aware of the general responsibilities of the Commission to consider the minorities as well as majorities within the community. Committees have been established to advise on talks, education, religion and other matters. The Commission has the advice of its management, the advice of specialist officers and the Qs.164 to 168

advice of advisory committees at various levels when deciding whether or not it will pursue a particular programme policy.

138. With respect to the measurement of changing trends in taste in the community, it was said that the process of testing the public mind is a continuous one that can be gauged from conversations and correspondence. The Commission examines all letters received, and all telephone calls received are reported on. It was indicated that management takes particular account of trends manifest in this manner and is liable, having noted a particular reaction, to have a programme changed or stopped. The Commission was said to be very conscious of its responsibility in exercising its judgment. Q.172 to 175

139. In response to questioning as to where the choice lies between the needs and wishes of the public in regard to programme selection, we were informed that the Commission must take account of the tastes and the needs of all sections of the community. It was claimed that the extraordinarily wide range of the Commission's programmes on radio and television takes account of all tastes and all needs in the community insofar as this can be achieved in radio and television broadcasting within the Commission's resources. Q.176

140. We were informed that surveys in respect of listeners to and viewers of the Commission's programmes are conducted by commercial organisations in the Capital Cities and Newcastle, but are not conducted on a regular basis in country areas. These surveys are supplemented from time to time by surveys undertaken by the Commission's own audience research section. This is not a very large section, but it is active and concerns itself with qualitative research into a breakdown of the composition of viewers or listeners rather than an estimate of the size of the audience. The method used is based on sampling procedures, information sometimes being obtained by Qs.137 and 141

telephone and sometimes by placing diaries in homes and requesting people to mark down programmes watched or heard at various hours of the day. The surveys are usually taken over a two-week period at regular intervals each year. We were assured that the very latest sampling techniques are used by the Commission's Audience Research Section. However, the results of the surveys are to a very large extent dependent on the size of the sample, the accuracy with which the information is recorded by the people who comprise the sample, and there are problems associated with the projection of the result for a large population. It was said that the surveys indicate the number of men, women or children watching or listening to programmes at quarter hour intervals throughout the day. To assist in forward programme planning, however, the Commission desires to know what the audience reaction to a programme is as distinct from the number of people who watched or listened to it. This is the basis on which the Commission sets out to measure an audience in terms of numbers.

141. We were informed that a system of review of programmes is maintained within the Commission. However, as programmes are presented on an almost continuous basis it is impossible to have senior management supervision at all times on all programme output. However, the policy of the Commission is clearly enunciated in respect of the preparation of programmes. A system of referral applies throughout the Commission. If, in preparation of a programme on which the policy has been clearly laid down, the producer of a programme has any doubts, it should be referred to his immediate superior and, if necessary, will be referred to the Controller of Programmes or the Controller of News. It was said that in the case of major productions this supervision is undertaken very closely, and frequently a programme is viewed by senior officers before broadcasting, but it is impossible to apply this review to every single piece of programming. It was said that details of programme policy, such as selection of script, employment of actors and production, are left to the Commission's management.

Qs. 168 to 170
and 277

142. There are certain broad areas of programming in which the Commission would decide that it had a major responsibility. In addition to its statutory responsibilities in respect of the broadcasting of news and music, as a national broadcasting service using public funds the Commission takes into account all areas where it could be beneficial to the community. It places emphasis on drama and music with Australian content. It was claimed that the Commission has and is developing important instructional rural services. It is giving instruction on the latest scientific methods related to agriculture, pasture improvement, information in respect of marketing trends and organisations. The Commission is also aware that broadcasting, particularly in very remote areas, can assist greatly in education. The Commission has therefore developed educational broadcasting and television services, both at primary and secondary levels, in which it co-operates very closely with the Departments of Education in each State. It was also claimed that many programmes have great value in the field of adult education. Q.165

143. In relation to the action that the Commission would take should a programme break all the rules of good taste, we were informed that the General Manager would expect a full report on all the issues involved and a complete explanation of any serious breach of taste. Action taken subsequent to this would depend entirely on the circumstances of the case and what was involved in the breach of taste by a particular person. It was said that there had been occasions on which persons had been reprimanded for what had been regarded as a breach of taste. Qs278 and 279

144. We questioned the witnesses in respect of the contributions made by the Churches to Commission programmes and the suggestion that some of the Churches had not been maintaining a standard acceptable to the various media. We also asked whether the Commission would be prepared to spend an adequate proportion of its funds to maintain a standard in these programmes or whether there would be a Q.367

tendency to indicate to the Churches that the standard of material presented by them was less than adequate to meet public demand. We were informed that the Commission would not wish to inhibit the Churches in this way. The Commission has the benefit of advice from an advisory committee of senior representatives of all Churches. Members of this committee are consulted informally and at least once each year on a formal basis. It was claimed that the difficulties of the Churches are fully understood by the Commission, which is anxious to assist them to attain the highest possible standard in presentation and production. Rather than restrain the Churches because their presentation standards were less than adequate, the Commission endeavours to raise those standards.

145. The attitude of the Commission to deal fairly with all controversial and moral issues was emphasised by witnesses. The Commission's policy in this matter has been clearly conveyed to officers of the Commission and they are expected to deal with a subject accordingly.

Qs.273 to 276

146. We were assured that any criticism of the Commission's programmes that reflects on the authority of the Commission is evaluated and action in respect of any such criticism is dealt with at a formal meeting of the Commission. Other forms of criticism that are made in between formal meetings are dealt with in personal discussion between the Chairman and General Manager and any Commissioners who may be available at the time. At each of its formal meetings the Commission has before it a programme report which provides information about forward programming in both radio and television, together with comments on those programmes.

Q.718

147. We were informed that the General Manager of the Commission has regular personal contact with those responsible for the production and presentation of current affairs and news programmes. It was said that the question of balance within a programme is often difficult to achieve and that

Q.721

the Commission does not believe that balance in any one programme is always possible. It was claimed that over a period of time, however, a balance of viewpoints emerges.

148. Section 64 of the Broadcasting and Television Act 1942-1967 provides that the Postmaster-General can require the Commission to broadcast a particular item which he considers to be in the national interest. Section 77 of the Act provides that the Minister may from time to time prohibit the Commission from producing or televising any matter, or require the Commission to refrain from broadcasting or televising such matter. The Commission witnesses were questioned regarding the frequency, during the past five years, with which this latter provision had been invoked and in what circumstances. We were informed that the Minister had exercised this power only once in the past five years, to prevent the Commission from televising an interview with a former Premier of France. There is also a provision that if this power is exercised the Commission is obliged to report the circumstances to the Parliament in its annual report. This action was taken in the case concerned.

Exhibit 110/3
and Q.181

Programme Publicity

149. There is a publicity Department within the Programme Division which is responsible for the preparation of publicity for radio and television programmes.

150. We were informed that the Commission must present to the public the fact that the BBC is a national authority and that it has good programmes on radio and television. It was claimed that the publicity Department is continually mindful of the need to obtain the space in newspapers that the Commission thinks is needed in special supplements and columns. It was also claimed that the Commission receives its fair share of actual publicity space and enjoys good relations with the newspapers which publish its advertisements. Witnesses were unaware of any restrictions or inhibitions in the placement of the Commission's paid advertisements.

Qs. 333
to 336

151 The witnesses were questioned in respect of the publication of programme details in the Australian press and general publicity regarding the promotion of those programmes published in other sections of the same newspapers. It was said that because of the constant variation in the Commission's radio programme offerings it has always been necessary to attempt to provide a means of giving listeners the special detail they require and that in general, newspapers have never provided adequate space for its radio programmes even though in terms of actual space it matched that given to commercial stations. It was indicated, however, that while it was, and probably is, enough for a newspaper to tell a reader that a commercial radio station has a Top Forty programme on at one time or a 'chatter' programme on at another, it was not and is not good enough for listeners interested in serious music or talks on the national networks. Historically, these circumstances provided the impetus for the establishment of the ABC Weekly, the publication of radio programme details in early editions of TV News-Times, releasing programme details for distribution and, later, the establishment of the Radio Guide.

Qs.59 to 71
and
Committee
File 1968/3

152 It was said that to a degree those same factors apply to the publication of ABC television programme details and that even in those few newspapers with no television affiliations there had at first been a reluctance to do much more than briefly acknowledge in programme columns the television fare that was regarded in some quarters as a serious threat to their circulations. It was claimed that this continues to be true in many provincial newspapers where severely limited space presents an additional problem in covering all programme details in full. In those newspapers with direct financial interests in television stations there was evidently a natural tendency to give greater prominence to their own affiliate's programme details. The most obvious examples of this were said to be in the television supplements of some newspapers.

Qs.59 to 71
and Committee
File 1968/3

153 During our inquiry, a survey was made by the

Commission of the amount of publicity given to its television and radio programmes by Sydney metropolitan daily newspapers as distinct from the daily publication of programme schedules.

154 It was said that the Commission is not dissatisfied with the free space it receives to promote its programmes, but it is not unaware of the commercial facts of life in this very competitive field. Notwithstanding the free publicity which the Commission and commercial radio and television stations receive, and despite the special television and radio journals which are published, both the Commission and commercial stations find it necessary from time to time to place paid advertisements in newspapers. The total amount spent on radio and television advertising by the Commission in this way in the financial year 1966-67 was approximately \$166,000. After allowing for a reduction of 20 per cent for production costs, the actual amount spent on placing advertisements in that year was \$132,000. Two thirds of this was allocated to the promotion of television programmes and one third for radio. Committee File 1968/3

News Division

155 Section 66 of the Broadcasting and Television Act 1942-1967 provides that the Commission shall broadcast daily from all national broadcasting stations regular sessions of news and information relating to current events within the Commonwealth and in other parts of the world; that the Commission shall employ an adequate staff, both in the Commonwealth and in overseas countries, for the purpose of collecting news and information to be broadcast in pursuance of this section; and that the Commission may also procure news and information relating to current events in other parts of the world from such overseas news agencies and other overseas sources as it thinks fit. Exhibit 110/3

156 The performance of these functions has led not only to the employment of home based news staff supplemented by

a system of contracted Australian metropolitan and country correspondents, but to the appointment of representatives in key posts throughout the world. As noted in Chapter 2, the Commission subscribes to several overseas news services.

157. Details of the organisation of the News Division are given in Chart No. 4, Appendix No. 4 to this Report, and details of the establishment are given in Table No. 3.

Table No. 3
Australian Broadcasting Commission
News Division
Establishment : 1966 to 1968

| | 1966 | 1967 | 1968 | Q.283 and Committee File 1968/3 |
|-------------------|----------------|----------------|------------------|--|
| | (As at 30 Jun) | (As at 30 Jun) | (As at 30 April) | |
| Head Office | 111 | 116 | 117 | |
| New South Wales | 27 | 30 | 30 | |
| Victoria | 67 | 66 | 66 | |
| Queensland | 50 | 52 | 52 | |
| South Australia | 41 | 42 | 42 | |
| Western Australia | 40 | 40 | 40 | |
| Tasmania | 35 | 35 | 35 | |
| Papua-New Guinea | 14 | 15 | 17 | |
| Overseas Offices | 13 | 13 | 14 | |
| Total | 398 | 409 | 413 | |

Source : A.B.C.

158. The Controller, News Services, is responsible for the overall supervision of the Division and in particular is required to

Exhibit
110/3

- . Provide listeners and viewers with the most effective coverage of Australian and world news in conformity with the Commission's policies, having regard to objectivity, impartiality and appropriate presentation.
- . Organise Australian news and news film sources and an effective cover of overseas news and news film.

- Supervise the preparation, form and content of national, State and regional radio and television news bulletins and radio news bulletins for the internal and overseas shortwave services.
- Supervise the rostering of journalists to ensure that the most efficient use is made of their services within the terms of the relevant determination, and ensure that the services of the staff of the Film Department allocated to news work are used to the best advantage but with proper regard to the need for economy.

159. It was said that proper regard for economy means that at all times the Commission's officers are instructed to ensure that if a particular project involves excessive over-time or excessive expenditure, this should be evaluated against the importance of the news item.

Qs.215 and
216

160. With respect to the length of news broadcasts, we were informed that a substantial amount of news material is broadcast and consideration has not been given recently to an extension of the services. It was said that if news is to be listened to intelligently, some concentration is essential and there would be limitations on the amount of time any listener could give to an extended news programme.

Qs.381
to 383

161. We raised the question of news reports by the Commission's staff in other countries and were informed that, in general, important events seen and reported on by the Commission's own staff have an immediacy and impact which gives them greater force than a translation read by an announcer. It is the Commission's policy to be quite certain, as far as this is possible, that the practice is not developed to a greater extent than is acceptable to the audience. It was felt that the news service grows in status and prestige when a version of world news is supplied, not for the whole world, but from a trained journalist for an Australian audience.

Q.232

Technical Services Division

162. Details of the organisation of the Technical Services Division are given in Chart No.5, Appendix No. 4 and details of the establishment of the Division are given in Table No. 4.

Table No.4
Australian Broadcasting Commission
Technical Services Division
Establishment: 1966 to 1968

| | 1966 | 1967 | 1968 |
|-------------------|-----------------|-----------------|------------------|
| | (As at 30 June) | (As at 30 June) | (As at 30 April) |
| Head Office | 58 | 62 | 60 |
| New South Wales | 417 | 432 | 429 |
| Victoria | 368 | 368 | 371 |
| Queensland | 171 | 183 | 180 |
| South Australia | 159 | 169 | 168 |
| Western Australia | 145 | 153 | 154 |
| Tasmania | 150 | 144 | 147 |
| Papua-New Guinea | 23 | 23 | 24 |
| Total | 1,491 | 1,534 | 1,533 |

Source: A.B.C.

163. The Controller of Technical Services is responsible in general for the radio and television technical services of the Commission and in particular to

- . Approve standards of technical performance to be achieved in the operation, maintenance and installation of studio plant.
- . Approve practices to be observed in the operation, maintenance and installation of studio plant.
- . Initiate and, where appropriate, approve proposals for the development of technical facilities.
- . Arrange for the procurement of material for the Division's operational and capital requirements.

Exhibit 110/3

164. In carrying out these responsibilities the Controller has the assistance of the Director of Operations (Radio), the Director of Branch Operations (Television), the Sectional Engineer (Plant Performance), the Sectional Engineer (Design

and Development), the Sectional Engineer (Planning and Installation), and the Engineer (Training).

The Specialist Departments

. Press and Public Information Department

165. The Press and Public Information Department is responsible for the promotional and public relations activities of the Commission and for the preparation of institutional publications and the Commission's Annual Report to Parliament. It was noted that the Commission's Annual Report to the Parliament for the financial year 1966-67 did not include details of or changes in the Commission's establishment and staff for that year. Witnesses were unable to put forward any reason as to why these should not be shown in each Annual Report.

Exhibit
110/3 and
Q.236

. Programme Sales and Procurement Department

166 The Programme Sales and Procurement Department is responsible for negotiations in respect of the purchase of television programmes from outside sources and for the promotion of sales of the Commission's radio and television programmes.

Exhibit
110/3

. Federal Concert Department

167 Section 59 of the Broadcasting and Television Act 1942-1967 provides that where the Commission considers it necessary for the proper carrying out of its objectives or for any purpose incidental thereto, it may make arrangements for the holding of, or may organise or subsidise, any public concert or other public entertainment provided that the whole or part of the concert or entertainment is broadcast or televised, or that the concert or entertainment is held in co-operation with an educational, religious or non-commercial institution and no charge for admission is made by the Commission.

Exhibit
110/3

168. Section 67 of the Broadcasting and Television Act 1942-1967 provides that the Commission shall endeavour to establish and utilise groups of musicians for the rendition of orchestral, choral and band music of high quality. The Federal Concert Department is responsible for the organising, promotion and management of the Commission's public concerts in all States. Details of the establishment of the Commission in respect of concerts and concert studios are given in Table No.5 and of orchestras, choral groups and dance bands in Table No.6.

Exhibit 110/3

Table No.5
Australian Broadcasting Commission
Concert Department Establishment
(1966 and 1967)

| | 1966 | 1967 |
|-------------------|-----------------|------------|
| | (As at 30 June) | |
| Head Office | 36 | 42 |
| New South Wales | 75 | 86 |
| Victoria | 51 | 53 |
| Queensland | 50 | 50 |
| South Australia | 45 | 48 |
| Western Australia | 32 | 37 |
| Tasmania | 25 | 25 |
| Papua-New Guinea | 9 | 9 |
| Total | 323 | 350 |

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1968/3

Source : A.B.C.

Table No.6
Australian Broadcasting Commission
Orchestral, Chorus and Dance Band Establishment
(1966 to 1968)

| | 1966 | 1967 | 1968 |
|-------------------|-----------------|------------|------------------|
| | (As at 30 June) | | (As at 30 April) |
| Head Office | 98 | 115* | 115* |
| Victoria | 88 | 82 | 82 |
| Queensland | 60 | 65 | 65 |
| South Australia | 65 | 65 | 65 |
| Western Australia | 51 | 50 | 51 |
| Tasmania | 27 | 27 | 27 |
| Total | 389 | 404 | 405 |

Q.283 and
Committee
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1968/3

* Includes a training orchestra of 28 members

Source : A.B.C.

169. While the Commission maintains a choir in South Australia only of ten members, in several areas the services of established choral societies are sought when there is a need to provide particular musical programmes which need choral work.

Exhibit
110/3
and Qs.182
to 184

170. A national training orchestra located in Sydney, and established by the Commission some two years prior to our inquiry, had its origin in the need of the Commission to maintain the standards of its orchestras. We were informed that it has been difficult in recent years to fill established vacancies as they occur in the Commission's orchestras and that it was felt that there was a need for the training orchestra in order to ensure the continuity of the high standards of musicians available to the Commission. While there is no formal relationship between the Commission and the various conservatoria in Australia, there is liaison.

Qs.186
and 187

171. With respect to section 114 (2.) which provides for the encouragement of Australian artists, it was said that in the field of music the Commission has endeavoured to encourage small quartet recitals and musicians. The Commission has a list of artists which is constantly under review and to whom constant attempts are being made to give a reasonable number of engagements.

Q.188

172. We were assured that the Commission does not allow any imbalance to arise in the provision of the services of its orchestras or musicians to the community throughout Australia and that it is not swayed in any degree by the fact that any one Council or State Government may contribute more than another to the upkeep of the orchestras.

Qs.352
to 355

. Secretariat Department

173. The function of the Secretariat Department is to provide high level administrative assistance to the Senior Management Group, including the handling of correspondence directed to management; the provision of advice to the

Exhibit
110/3,
Qs.240
and 241

General Manager and the Senior Management Group concerning matters related to that Group; and generally to deal with any matters referred to it by the Senior Management Group. The Department is responsible for the servicing of the Commission in that it provides information for Commission meetings. The structure of the Department provides for twenty one positions under the control of the Head of Secretariat.

174. We were informed that while the establishment of the Department does not provide for a research officer, there are a number of correspondence officers in the Department who carry out research into various matters referred to it. It was said that research work is also carried out as required by the Commission's information unit. Duty statements for each of the positions in the Secretariat Department were given in evidence, together with qualifications required for appointment to each position and those held by occupants of each position. The classification of each position was given in confidence.

Q.241,505,
1107 to 1109
and Committee
File 1968/3

175. The occupant of the position of Head of the Secretariat is required to possess the Leaving Certificate (New South Wales) or equivalent but a tertiary education is preferable. He must also possess a sound knowledge of the organisation, functions and activities of the ABC. The Head of the Secretariat Department is responsible for organising the operation of the Secretariat, the conduct of research; the preparation of important and confidential correspondence; and the provision of high level administrative assistance to the Commission and the Senior Management Group, including the drafting of policy instructions and the carrying out of special assignments. The occupant of the position is required to act as liaison officer between members of the Senior Management Group and other senior officers as well as to maintain public relations with outside organisations and members of the public. The Head of Secretariat is responsible for the supervision of staff and his delegations include the approving of expenditure for services and supplies to a value of \$600.

Qs.1107 to
1109 and
Committee
File 1968/3

. Organisation and Methods Department

176. The Organisation and Methods Department maintains a constant review of the Commission's establishment in all branches and makes recommendations concerning Automatic Data Processing systems. This Department was established on 5 February, 1952, with the creation of a position of Investigator (Expenditure). We were informed that the creation of this position had been prompted by the need of the Commission to have a representative from the Postmaster-General's Department on its staff so that procedures followed by that Department could be adopted by the Commission. The duties of the position were related to establishment matters referred to it from within the Commission. A position of Clerk (Female) Grade 2 was created on 10 June, 1954, and a further position of Assistant Organisation and Methods Officer on 7 January, 1957. At the time of our inquiry the Department included two Senior Organisation and Methods Officers, two Organisation and Methods Officer, and an ADP Group consisting of a Senior Programmer, six Programmers and ancillary staff.

Exhibit
110/3 and
Qs. 242 to
245.

177. We were informed that continuous reviews of establishments made by the Department cover such matters as accommodation, Automatic Data Processing, the review of classification of positions, the investigation of applications for additional positions sought throughout the organisation, the design and control of forms and the application of office machines to administrative processes, the review of accommodation arrangements in Commission buildings, including functional layout of offices and working conditions generally. In addition, organisation and methods reviews are organised on a continuing basis.

Q.506

178. It was said that methods used in investigations by the Department are those approved as far as establishments and methods procedures are concerned. Officers of the Department have attended courses of one to four weeks' duration in organisation and methods procedures conducted by the Public Service Board. The Public Service Board Observer, Mr. Vanthoff, indicated that there is an awareness

Qs. 465
to 470

in statutory authorities that those courses, as well as those in Automatic Data Processing, are available, and also of the Board's willingness to co-operate in making available places in its training courses for officers of the authorities.

179. Prior to our inquiry the Commission had engaged a firm of management consultants to advise on the staffing and organisation of one of its State branches as it had been felt that the independent advice obtained from this review would be useful to the Commission, and that recommendations made specifically in respect of the branch examined would be applicable in other branches of the Commission. It was said that it is established practice in the British Civil Service and in the Public Service of Australia to employ outside experts who are able to approach problems with complete objectivity and in this case could provide additional expertise for the Commission's own experts working in co-operation with them in the areas involved. Discussions were held between officers of the Commission and senior officers of the Public Service Board before the investigation was commenced.

Qs. 9,286
and 294

180. When questioned as to why the Queensland Branch had been chosen for this investigation, a witness informed us that the Commission had the alternative of pursuing the investigation at head office or at one of the State branches. It had been decided, after discussions with the firm undertaking the investigation, that a quicker result would be obtained if it were to be limited to one branch, which in form is a small scale replica of the head office. There was no reason why any one State should have been selected over another. The investigation of the Commission's Queensland Branch commenced in June 1967 and was completed in early November of that year. During the survey period of the investigation, 1,900 man hours were employed by the consultant firm and 960 by the Commission's staff. During the implementation period an estimated 1,000 man hours were required of the consultants and 960 of the Commission. The report on the investigation

Qs.285 to
294 and
Committee File
1968/3

was presented to management and to the Commission and certain aspects of it were approved. Implementation began in May 1968. The cost of the investigation, a negotiated fee, was made available in confidence.

181. The basic objectives of the study were to determine whether efficiency could be increased at the same time as costs were being reduced by a greater integration of staffing and operations. As a supplementary measure the investigation was also directed towards the financial statements of the branch. Documentation in respect of financial and staff matters was reviewed and new procedures introduced which were said to have reduced documentation by 40 to 50 per cent. This saving was accompanied by a minimal reduction in staff numbers. Q.1088

182. So far as automatic data processing is concerned, we were informed that the scope of the Commission's financial operation is now such that for some time there has been preparation to transfer its accounting systems and associated records to a computer. A small staff of programmers has been working for the past two years on a number of specific projects. The major project is the transfer of the Commission's New South Wales and head office payroll and associated budgetary control and expenditure records to a computer. Q. 10

183. The evidence showed that at the time of our inquiry the Commission was renting time on a commercial computer and a decision had not been made in respect of the purchase of its own computer. Q. 10

184. The Commission witnesses were questioned as to the circumstances which led to the decision to transfer manual procedures to computer applications, and in particular on the association between the Commission and the Interdepartmental Committee on Automatic Data Processing in the matter. It was said that the Commission, having a staff of some 5,000 personnel to be paid and a very large number of accounting Qs.298 to 300 Qs.298 and 300

records to be kept, expects increased efficiency from the transfer of work to computers. With respect to the procedures involved in payment of personnel, it was noted that the Department of the Treasury had itself moved into this field in respect of Commonwealth Departments. As this is the first major project of the Commission to be transferred to a computer it was thought that this would be the best way of establishing experience in the field. When this stage has been completed, the system will be improved by the addition of financial records other than those needed in the payment of salaries.

185 The amount of expenditure on the computer project has been included in the estimates of expenditure presented to the Postmaster-General. However, in the event of the Commission purchasing a computer, prior approval would need to be obtained from the Postmaster-General. At the time of our inquiry the amount involved was said to be such that Ministerial approval had not been required. Q.304

186 It was said that the Commissioner's senior programmer had been trained at a course in Automatic Data Processing conducted by the Public Service Board and that he has continued to maintain liaison with the Board in respect of the type of action that ought to be taken by the Commission regarding its computer applications. Q.304

187 We were informed that in 1961 the Interdepartmental Committee on Automatic Data Processing requested all permanent heads of Commonwealth departments to bring under the notice of the various organisations and commissions with which they were associated the fact that the Committee had been established. However, it was stated that following inquiries made of the Director-General of Posts and Telegraphs, it had been found that, possibly due to an oversight, the Commission had not been advised of the services available through the Committee and consequently had not been directly in consultation with the Committee. Qs. 1095 to 1099 and Committee File 1968/3

Subsequently the Commission discussed its automatic data processing activities with the Management Services Division of the Public Service Board and was advised that, although statutory authorities would not of necessity be required to consult the interdepartmental committee, the Commission had nevertheless followed the spirit of co-operation with that committee by maintaining a close liaison with the Public Service Board in regard to the general lines of its automatic data processing development.

Qs.1095
to 1099
and
Committee
File 1968/3

. Publications Department

188 The history of the Commission's publications has been referred to in Chapter 2 of this report. The Publications Department is at present responsible for the publication of the weekly T.V. Time. Details of the fourteen editions of this publication as at May 1968 are set out in Appendix No. of this Report.

Exhibit
110/3

. Radio Australia Department

189 Details of Radio Australia, the overseas broadcasting service of the Commission, are given in Chapter 2 of this Report.

Branch and Regional Offices

190 In the case of New South Wales the organisational structure is similar to other States with the exception that State Supervisors report to their Departmental or Divisional Head in lieu of a Branch Manager. The Head Office position of Director of Personnel carries out, within his delegated authority, the functions of a State Manager in all matters relating to the appointment, retirement, dismissal, etc., of members of staff employed at Head Office and New South Wales.

Exhibit
110/3

191 In general, the organisation pattern of the State branches resembles that of the Head Office. Chart No. 6 of Appendix No. 4 shows the organisation of the Victorian Branch, which typifies that of the Queensland, South

Exhibit
110/3

Australian, Western Australian and Tasmanian Branches. The organisation of the Papua-New Guinea establishment, which provides a radio service only, is shown in Chart No. 7 Appendix No. 4 of this report.

192 Branch Managers are the State representatives of the General Manager. There is a Branch Office in each of the Capital Cities with the exception of Sydney. Offices are also located in Canberra, Darwin and Port Moresby. There are an additional 27 regional offices located throughout all States.

Exhibit
110/3

Overseas Offices

193 Overseas offices of the Commission are located in London, New York, Washington, Tokyo, New Delhi, Singapore, Djakarta and Kuala Lumpur.

Exhibit
110/1

194 The criteria on which the decision to open an overseas office is made are related to the importance of the area under consideration to the programme and news requirements of the Commission and the need for the Commission to be represented in providing the essential programmes and news material which the Commission considers it should have in relation to the importance of the area to Australia. We were informed that these criteria are evaluated by the Management of the Commission and recommendations in respect of a proposal would then be made to members of the Commission for final decision.

Qs.117
and 118

195 The Washington office is staffed by a representative who is assisted by a part time typist. The staff of the Djakarta office consists of a representative who provides news and programme material, an Indonesian journalist who provides particular material in Indonesian for the Commission's Indonesian broadcasts, a secretary, part time accountant, messenger, and a driver who also carries out the duties of cameraman. Stringer cameramen are also available for Commission and Visnews assignments.

Qs.119
and 379

196 Although the Commission does not maintain an office Q.119
in Saigon, a representative on a rotating full time basis has
been located there since 1957. The Singapore office of the
Commission is very much larger than other overseas offices in
that it is the base for the Commission's management of Visnews
in respect of the collection of films and their distribution
throughout the world. The total staff of twenty-six includes three
journalists, one representative and an assistant representative,
clerks, accountants, despatch boys, film editors and processors.

197 The Kuala Lumpur office, opened in 1963, is staffed
by a representative and a locally engaged typist-clerical
assistant. The Tokyo and New Delhi offices, both opened in
1966, are each staffed by a representative and a clerical
assistant. Their function is to compile material for news
and other programmes.

The Staff of the Commission

198 We were informed that the provision of adequate and Q. 9
comprehensive programmes for the whole of Australia requires
a large staff. It was claimed that the Commission is engaged
in a labour intensive operation and that people are the most
important of its assets.

199 During the period 1957-58 to 1967-68 the total staff Q. 9
of the Commission more than doubled. The average annual
increase between the years 1957-58 and 1964-65 was about 290,
excluding the transfer of some 600 technicians and engineers
from the Postmaster-General's Department in 1964-65 when the
Commission assumed responsibility for its radio technical
services. Since 1964-65, however, the rate of staff increase
has been markedly reduced. 116 positions were added to the
staff in 1965-66 and eighty-eight in 1966-67. In the first ten
months of the financial year 1967-68 the increase was thirty-nine.
The decline in the rate of staff growth was said to be due
in large measure to a continual review of staffing establish-
ments in all branches carried out by the Commissioner's own

Organisation and Methods Department. Details of the establishment of the Commission between 1966 and 1968 are given in Table No. 7.

Table No. 7
Australian Broadcasting Commission
Total Establishment
(1966-1968)

| | 1966 | 1967 | 1968 |
|-------------------|-----------------|--------------|------------------|
| | (As at 30 June) | | (As at 30 April) |
| Head Office | 1,136 | 1,229 | 1,207 |
| New South Wales | 894 | 982 | 975 |
| Victoria | 1,086 | 1,080 | 1,089 |
| Queensland | 526 | 541 | 540 |
| South Australia | 462 | 506 | 507 |
| Western Australia | 443 | 465 | 468 |
| Tasmania | 392 | 393 | 399 |
| Papua-New Guinea | 127 | 140 | 142 |
| Overseas Offices | 50 | 50 | 53 |
| Radio Australia | 150 | 155 | 157 |
| Total | 5,286 | 5,549 | 5,537 |

Q.283
and
Committee
File
1968/3

Source : A.B.C.

200. The increase in the establishment of 263 positions to 5,549 positions between June 1966 and June 1967 included 175 short term, contract, part time and non-established positions, some already existing 50 per cent of which were located in the programme areas. Forty three of the newly created positions in this year were located in the Technical Services Division and were attributed to an increased emphasis on training in this area. Thirty six of the new positions were located in the Management Services Division.

201. Details of the unfilled staff positions of the Commission as at 30 April, 1968, are shown below in Table No. 8.

Table No. 8

Australian Broadcasting Commission

Unfilled Staff Positions as at 30 April, 1968.

Q.235 and
Committee
File 1968/3

| | N.S.W.* | Vic. | Qld. | S.A. | W.A. | Tas. | P.-N.G. | Total |
|---------------------|---------|------|------|------|------|------|---------|-------|
| Management | 2 | - | 1 | - | - | - | - | 3 |
| Management Services | 3 | 1 | - | - | 2 | - | 1 | 7 |
| Programme | 16 | 7 | 5 | 2 | 8 | 3 | 1 | 42 |
| Technical Services | 12 | 13 | 5 | 1 | 7 | 8 | 1 | 47 |
| News | 2 | - | 2 | 1 | 2 | - | - | 7 |
| Total | 35 | 21 | 13 | 4 | 19 | 11 | 3 | 106 |

* Includes Head Office

Source: A.B.C.

Chapter 4

Buildings

202. Section 63 of the Broadcasting and Television Act, 1942-1967 provides that the Commission shall provide such studios, offices and other accommodation as are necessary for the proper performance of its powers and functions and such accommodation in relation to studios as the Postmaster-General requires for the proper carrying out of the technical services to be provided by the Postmaster-General.

203. In its Thirty-fifth Annual Report (1966-67) the Commission, in drawing the attention of the Parliament to some of the difficulties under which it works, referred to an urgent need for new buildings in Adelaide, Sydney and Melbourne. It was said in evidence that the Commission requires more buildings, newer buildings and more functional buildings. Q.8

204. Negotiations for the purchase of property on behalf of the Commission are undertaken by the Department of the Interior as funds for this purpose are under the control of that Department. In the acquisition of leased accommodation, however, the Commission deals directly with the agents or owner of the premises. In practice, the terms of the lease, including rental, are referred to the Department of the Interior or to another appropriate authority for its approval, although there is no requirement for this procedure to be followed. Qs. 647, 691, 692 and 1261

205. It was said that, except in Canberra and Perth where Radio, Television and administration are located in the same building complex, the Commission has found it impossible to consolidate its radio and administrative operations. Moreover, the Commission has been unable to develop accommodation plans for these operations. The reasons for this have included world war two and subsequent interdepartmental control of Commonwealth building, technological change and availability of finance. Exhibit 110/5 and Q.758

206 As an industry, broadcasting developed very quickly in its early stages, but this was followed by a fairly static period. Master plans for the extension of radio facilities were not developed to any great extent prior to the second world war. However, because of the importance of radio during the war additional studio facilities were provided at that time in all States. Building difficulties during and after the war led to a decision by the Commission in 1948 to cease further planning until the 1950's. It was said that the rate of technological change in the radio industry in recent years has been such that when plans are completed and passed through the procedures required by the parliamentary system, changed requirements are not easily incorporated into the final designs.

Qs. 738 to
745 and 758

207 Since 1954 there has been substantial expenditure on the national broadcasting service in respect of the development of television facilities which, by their nature cannot be housed satisfactorily in existing buildings. On the other hand, comparatively little expenditure has occurred on radio facilities, particularly in respect of studios and accommodation, other than for alterations, repairs and technical requirements. The main reason for this is that it has been possible, with some difficulty to adapt existing buildings to radio use. In the result, however, it was claimed that in some areas radio studios require to be rebuilt while in other areas, renovation is required.

Exhibit 110/5
and Qs. 635 to
637

208 The Commission's radio and administrative staff in Cities other than Perth and Canberra is housed in a variety of buildings, many held on lease, and dispersed over a wide area. It was claimed that by modern standards many of the studios are functionally outmoded, in constant need of repair and unable effectively to provide what is now required by radio broadcasting. The wide dispersion of buildings was said to add to operational costs, make supervision more difficult, seriously affect morale and impede the development of a team spirit, essential to the realisation of the goals of a national broadcasting service. It was indicated that maximum use of the Commission's annual

Exhibit 110/5

appropriation can only be realized if its programme, technical and administrative staff are working as a unified team, particularly in respect of radio and administrative functions in Sydney and Melbourne and the overall activities of the Commission in Adelaide, Brisbane and Hobart.

209 It was said that while television is essentially complementary to radio broadcasting, radio is still the most effective medium for the broadcasting of serious music, news, market information, weather information and similar programmes. Radio broadcasting was said to be a vital force and a major responsibility of the Commission and it was claimed that radio, perhaps more than television, has a vital part to play in the creation of national unity, particularly through the instrument of the national broadcasting service. The Commission is concerned because in its present position it is unable to meet the challenge presented by radio as effectively, efficiently, or as fully as it ought to. Exhibit 110/5

210 We were informed that in all overseas countries, major television production is concentrated on a limited number of cities, due mainly to the capital cost involved, economy of production and availability of talent. A similar pattern was said to be developing in Australia. We were told that while some less costly and ambitious productions, particularly topical and service programmes will be developed in Brisbane, Adelaide, Perth, Hobart and Canberra, major production effort in television will need to be and in fact will inevitably be concentrated on Sydney and Melbourne. For this reason expenditure on large studio and extensive technical facilities should be confined to these two cities. In these circumstances the Commission is firmly of the view that large scale television production should be separated physically from radio production in Sydney and Melbourne, but that in other capital cities the interests of economy and efficiency will be best served by grouping all activities on the one site. Exhibit 110/5

211 The Commission is at present in the fifth stage of its

development programme. This stage provides for the introduction of television in smaller country and isolated areas and entails the provision of additional technical equipment for network switching and control. Additional studios to provide separate programmes will also be constructed during this stage. Q.742

212 The introduction of video tape which was developed and introduced subsequent to the introduction of television in Australia in 1956 has had revolutionary effects in the use of studios. Because of this the Commission's plans were in abeyance at the time of our inquiry until a decision could be taken on whether emphasis should continue to be given to video taped electronic productions or to an alternative such as the major use of film props and sound studios in the Hollywood style. Q.742

213 We were informed that buildings to be owned by the Commission will be designed specifically for the purpose of accommodating an activity which has requirements peculiar to the organisation. In this regard it was said that programme quality and efficiency is affected by studio requirements, sound-proofing, air conditioning, acoustical qualities, maintenance facilities and good access for vehicles and the visiting public. Exhibit 110/5

214 It was claimed that with new buildings administrative efficiency will be increased by more effective supervision, reduced travelling time between areas, flexibility of staff and rostering, quicker distribution of stores and correspondence, centralisation of public enquiry areas, better communications and better work flow. It was also claimed that economies will be assured in the areas of staff rostering, staff movements, transport costs, fares and vehicle requirements, paying arrangements, security of buildings, telephone switchboard operators and switchboard rentals, receptionist facilities and mail sorting and distribution. We were informed, however, that no quantitative assessment had been made by the Commission of the economies likely to be achieved through improved accommodation. Exhibit 110/5 and Qs.657 to 684

Capital City Accommodation

215. Details of the area of premises occupied by the Commission in Capital Cities is given in Table No. 9.

Table No.9
Australian Broadcasting Commission
Area of Premises Occupied in Capital Cities as at July, 1968
(sq.ft)

Qs.260 to
262 and
Committee
File 1968/3

| CITY | OWNED | | | | LEASED | | | |
|-----------|---------|--------|---------|---------|---------|--------|---------|---------|
| | Office | Studio | Other* | Total | Office | Studio | Other* | Total |
| Sydney | 43,000 | 12,872 | 158,799 | 214,671 | 118,324 | 13,726 | 60,899 | 192,949 |
| Canberra | 2,787 | 4,309 | 11,928 | 19,024 | - | - | - | - |
| Melbourne | 46,100 | 13,300 | 89,500 | 148,900 | 45,590 | 7,650 | 58,640 | 111,880 |
| Brisbane | 8,100 | 7,000 | 29,000 | 44,100 | 7,099 | 1,884 | 6,312 | 15,195 |
| Adelaide | 17,000 | 8,850 | 20,930 | 46,780 | 8,032 | 11,650 | 7,700 | 27,283 |
| Perth | 19,900 | 15,000 | 28,100 | 63,000 | - | - | - | - |
| Hobart | 8,096 | 2,900 | 30,440 | 41,436 | 11,489 | 4,089 | 13,208 | 28,886 |
| Total | 144,983 | 64,231 | 368,697 | 577,911 | 190,534 | 38,999 | 146,859 | 376,390 |

* Store, Amenities and other general areas.

Source: A.B.C.

.Sydney

216 The Commission's problems in Sydney centre on the need to consolidate its operations, at present dispersed over twenty-two buildings, to improve existing accommodation where necessary, to replace dilapidated studios, and to ensure the continuity of radio transmission. The network complex, built in 1955, is comparatively new, but the studios, up to thirty years old, are in scattered locations. Some temporary accommodation used for radio and administration in Sydney was said to be in good condition. The Head Office is located in a new building and the standard of the accommodation there was said to be excellent. The Commission's accommodation in Sydney, however, was said to be sub-standard in some areas. For example, the location for the main programme operations is a former car display building, and is unsuitable for the purpose. Other accommodation in Sydney includes an old warehouse.

Exhibit
110/5 and
Qs 63⁴ and
770

217 We were informed that a Commission owned site in Sydney, bounded by William and Forbes Streets is fully adequate for the eventual development of an integrated radio administrative centre. The main radio studio block, located on this site at present, occupies only part of the available area. An old office building located on the William Street frontage, also accommodates a studio.

Exhibit
110/5

218 It was said that the key to the Commission's planning in Sydney is a proposal of the New South Wales State Government to widen William Street and construct a tunnel under Kings Cross. The Commission's immediate concern is that the widening of William Street, should it proceed on existing plans, will involve the demolition of its premises located on the corner of William and Forbes Streets. This building accommodates operational staff which must be located near studios. It is necessary, therefore, to plan for their replacement before the building they now occupy is demolished. The Commission hopes to achieve this by an upward extension of the existing studio block, at an estimated cost of \$1,000,000.

Exhibit
110/5 and
Qs. 652 to
654

219. The second consolidating stage of its planning in Sydney estimated by the Commission to cost \$6,400,000, is a building to be constructed on the new William Street frontage should the widening of this Street preserve a frontage to the Commission. Plans for the building were under review at the time of our inquiry but it was expected that it would comprise approximately 160,000 square feet of mainly office accommodation. Pending the construction of this building it was expected that additional accommodation adjacent to Broadcast House, the lease of which was under consideration at the time of our inquiry, would meet the Commission's needs, other than for studios. Exhibit 110/5

220. Section 34 of the Broadcasting and Television Act provides that the Head Office of the Commission shall be established in the Australian Capital Territory on or before a date to be fixed by the Minister. The witness was unaware of any consideration having been given to this matter by the Commission. He said that building proposals for Sydney are in respect of accommodation necessary for major production and administrative staff, and for such Head Office components as would be required in Sydney at the time. Qs. 649 to 651

.Melbourne

221. We were informed that the Commission first acquired a site in Melbourne in 1935 with the purchase of an old Church hall and cottage on the corner of Lonsdale and William Streets. Planning for the further development of the site began when it was recognised that broadcasting was a vital instrument in time of war for the transmission of official information. The construction of Broadcast House on the Melbourne site was commenced in 1942 and completed in 1943. Qs. 610, 738; 976 and 978

222. The Waverly Court Building, located next to the Broadcast House site was acquired in 1947 and Majella House in St. Kilda Road was acquired in 1953 to cope with the expansion of the Commission. This expansion related not only to the normal development of broadcasting but also to the fact that in 1947 the Commission was required to develop its own Australian News Service and in 1950 Qs. 610 and 976

the Postmaster-General requested the Commission to provide programmes for the Radio Australia transmitters.

223. In addition to these Properties the Commission held other properties under lease in Melbourne at the time of our inquiry. Of these, Cyclone House was acquired prior to 1938; a building in Leichhardt Street in 1955; Tytherley House in St. Kilda Road in 1957; the C.M.L. Building in Lonsdale Street in 1963; the Waverley Theatre in 1965; a garage and workshop at Caulfield in 1966 and a concert box office centre in Collins Street, Melbourne in 1967. Q.996

224. We were informed that the standard of the Commission's temporary accommodation in Melbourne is variable. The Head Office, located in the C.M.L. Building in Lonsdale Street, is of reasonable standard and has been made operationally efficient. Broadcast House which accommodates the main studio complex is an old building. Its accommodation is of fair standard but its studios are outmoded. Waverley Court, which houses some programme departments was said to be of very poor standard. The building in Leichhardt Street which houses a programme department and Cyclone House where a studio is located, were described as old buildings. The Commission was said to be anxious to vacate both of these premises. Q.770

225. It was said that in Melbourne, television operations will be confined to land in process of acquisition at Ripponlea. Studios were constructed on that site in 1956 and the Commission plans to move its film editing section, topical programme units Cine camera work photographic dark rooms and an extension of its production facilities into a new extension to the building which was under construction at the time of our inquiry. Exhibit 110/5 and Qs. 1021 to 1023

226. We were informed that the Commission's present concern in Melbourne is with the consolidation of its radio and administrative operations, including Radio Australia. It was said that the site at the corner of William and Lonsdale Streets could be improved by the

acquisition of Rostella House, an old adjoining building owned by the Commonwealth. The building, which has a book value of \$60,000 is listed by the Department of the Interior for disposal. That Department is holding the building for the Commission pending the development of prior proposals for its acquisition.

Exhibit
110/5
and Q.1032

227 In the first stage of re-development of its radio and administrative activities in Melbourne, the Commission proposes to develop a permanent studio complex on the Waverley Court-Rostella section of the site while retaining the studio and switching operations now operating in Broadcast House. The proposed building would also house Radio Australia, the News Departments and the record library which the Commission proposes to transfer from the CML Building. It was claimed that the erection of new studios and a switching centre on this site would present the least difficulty and the least cost for the Postmaster-General's Department since its lines already terminate on that site. At the time of our inquiry, the development of this stage of the project had reached the point where the Commission was in process of preparing a brief of its requirements for submission to the Department of Works.

Exhibit
110/5 and
Qs.1033 to
1036.

228 We were informed that the second stage of the Melbourne development, which would bring together all remaining radio and administrative activities could follow the completion of the studio complex. When the new studios are operational and funds are available, the Commission plans to demolish Broadcast House and to erect its main office building on the site in its place. The first stage studio complex would be so designed as to fit into the overall master plan. The cost of the first stage has been provisionally estimated by the Commission at \$1,200,000 and the cost of the second stage at \$4,200,000.

Exhibit
110/5 and
Q.1035

.Brisbane

229 A site acquired by the Commission in 1939 in Alice Street, Brisbane was developed for studio and office accommodation purposes. This building was subsequently sold. At present television and some radio operations are located at Toowong and accommodation is leased in five buildings in Brisbane.

Q.737

230 It was said that all of the Commission's buildings in Brisbane are crowded and one leased building was claimed to be sub-standard. A small project on the 1967-68 works programme was expected to relieve this situation. At the time of our inquiry the Commission planned to lease space in a building to be erected near its television buildings and to vacate unsatisfactory leased premises in the city.

Exhibit
110/5, Qs.
634 and 1066.

231 Completion of the Commission's Toowong buildings would involve construction at a cost, estimated by the Commission, to be of the order of \$1,600,000. It was claimed that subsequent to its approval, documentation for and construction of this building project would extend over a period of some three years.

. Adelaide

232 Adelaide was the first city in which the Commission acquired studios on a site which it owned. The site, in Hindmarsh Square, was acquired in 1932. Although the Commission had a plan for the development of the site, progress was not made until after the 1939-45 war. Further allotments adjacent to the original site were acquired in 1942, 1948 and 1949. Plans submitted by the Commission in 1948 to an interdepartmental Committee which at the time was co-ordinating building proposals for submission to Cabinet, were rejected.

Qs.610 and
836

- 233 It was said that morale and effort have been adversely affected over the years by discomfort and deficiencies in the working environment of the Adelaide buildings, in what was claimed to be essentially a creative industry. The Commission's activities are spread over six buildings. The administrative headquarters, Broadcast House, located in Hindmarsh Square is a very old building, originally a coachhouse before being converted into a garage. At present offices are located in what was formerly the gallery of the garage and many offices are wholly enclosed in the centre of the building. This has presented problems with respect to ventilation. As the Commission's activities have expanded areas which would not originally have been considered as suitable for offices have been adapted for this purpose. Exhibit 110/5 and 836
- 234 Accommodation leased by the Commission in Adelaide consists of Football House, a small office in the IOOF Buildings in Gawler Place, office accommodation in the O. & G. Building, Hindmarsh Square, and the Star Theatre, a cinema at Norwood which was renovated to accommodate the symphony orchestra. Football House, a very old building which accommodates the Rural Department, Music Department, and a large studio used for rehearsals and occasionally for broadcasts and the accommodation leased in the O. & G. Building were said to be of reasonable standard. There are some 338 people including sixty-five musicians working in the Commission's Hindmarsh Square building. Exhibit 110/5 Q6, 837, 853 and 854
- 235 It was said that the Commission's policy with respect to the maintenance of its Adelaide premises is to make them as reasonably attractive and comfortable as possible, having regard to the nature of the buildings. Q.840
- 236 The Department of Works Observer, Mr. Schumacher, stated that the Hindmarsh Square buildings compare very unfavourably in quality, layout and efficiency with other Commonwealth buildings in Adelaide. A comprehensive report relating to fire protection, made by the Department of Works at the request of the Commission in 1962, had stressed the Qs. 949, 950, 954 to 956 and 965

completely sub-standard level of the whole of the premises in Hindmarsh Square from the point of view of fire protection and construction. Some of the recommendations made at that time have been implemented. When asked if the Commission had made use of this report to substantiate its building proposals made to Cabinet, the Commission witness informed us that he was unaware of the report.

237 The Department of Works Observer, Architect-in-Charge of the supervision of works for the Department in Adelaide said that it would be his responsibility to supervise part of the additions and renovations made by the Commission to its Adelaide premises. When questioned in respect of the observance by the Department of Works, of health and building by-laws in the renovation or development of the Commission's Adelaide premises, Mr. Schumacher was unable to assure us that in every individual case the Department of Works observes the requirements of statutory bodies in these matters. He said that it was his Department's policy to do so and that it is only in exceptional cases, where physical or other condition may preclude it, that the requirements of statutory authorities would not be met. Qs.842 to 844

238 During its inspections of the Adelaide buildings Your Committee was shown relatively new renovations in which ceilings were not more than 7'6" in height. It was said that this would be significantly below the usual standard requirements. Qs.845 to 846

239 We were informed that a fire officer from the Postmaster-General's Department was recently asked by the Commission to inspect the Hindmarsh Square buildings and to advise it of his findings. Recommendations were made in respect of the placement of additional fire extinguishers and the introduction of a warning bell system. The additional extinguishers have since been installed, several exits have been cleared and other exits have been opened. A proposal for the introduction of a warning bell system was being considered. It was said that the Postmaster-General's Department had been consulted instead of the South Australian fire authority because the Commission had worked Qs.945 to 951

very closely with the Postmaster-General's Department over the years and the approach had been made on an informal basis at the request of a safety committee of the Commission. The South Australian fire authority had not inspected the Hindmarsh Square premises during the period in which the present manager of the branch had occupied his position, two and a half years. The Commonwealth Fire Board had, however, made an inspection of the premises some five years ago.

240 The Commission has developed its television operations in Adelaide on a site at Collinswood, well placed in relation to the centre of the city. The television studios, constructed in 1957, were said to be adequate in respect of staff facilities. Plans for the addition of a presentation studio were on the works programme at the time of our inquiry.

Exhibit 110/5
and Qs. 882 to
884

241 Planning for the construction of administrative and operational offices, radio studios and an orchestral studio at Collinswood, adjacent to the television building, commenced in 1962. The Commission has been advised that the site presents no problems to the Postmaster-General's Department in respect of transmission lines, but it was felt that to make provision for future parking needs it would be prudent to allow for the acquisition of two adjoining home blocks as they become available. Revised plans for the buildings were again presented to the Commission for approval some twelve months prior to our inquiry. The plans had originally been submitted to the Department of Works in the form of a detailed design and sketches. The Department subsequently advised the Commission that an incorrect procedure had been followed in the submission of the plans and that a new procedure required the submission of a narrative brief and rough drawings only. It was said that when proposals for the Collinswood site have been implemented the general standard of the facilities there would be equivalent to that of the Perth studios.

Exhibit 110/5

Exhibit 110/5,
Qs. 865, 921 and
922

242 The proposed radio and administrative building allows for expansion ranging from 20 to 25 per cent. It was said that providing no excessive demand is placed on the Commission's services, the building should be adequate for twenty-five to thirty years. The preliminary estimate of the cost of the project, made by the Commission, was \$2,400,000. The preliminary cost estimate made by the Department of Works, however, was some \$1,000,000 higher than that of the Commission. We were informed that there is an understanding between the Commission and the Department that discussions will be held in respect of the merits of the plans of both.

Exhibit 110/5
W. 896, 897,
889 and 906

243 At our hearing on 23 September 1968 we were informed that very satisfactory progress had been made in respect of the Collinswood proposals. The plans had been approved by Cabinet in mid-August 1968 for admission to Design List C, subject to clarification of the views of the Office Accommodation Committee, and subject also to an examination by the Postmaster-General as to the practicability of the inclusion of the Commission's orchestral studio in the Adelaide Festival Hall project. The office accommodation committee subsequently agreed that the proposal could proceed without further inquiry by the Committee at that stage. It had been established that the Adelaide Festival Committee has no plans to include an orchestral studio for the purposes of the Commission in its project. An early hearing by the Parliamentary Standing Committee on Public Works was expected.

Q.1270

244 The opinion was expressed that documentation for the project could not have been handled more quickly than it had been by the Bank Section of the Department of Works. It was said that fairly rapid construction could also be expected and that tenders for the project could be called in 1969/70. On the basis of this programme, construction of the building could be completed in 1973.

Q.1348 to 1353

.Perth.

245. Initially the Commission carried out its activities in Perth in leased premises at the corner of Milligan and Hay Streets. In 1937 the Commission moved to a very old temporary structure known as Stirling House, which had been built during World War I and occupied by the Repatriation Department.

Qs.737 and
769

246. The Commission acquired a site at Rosehill, in Adelaide Terrace, Perth in 1943. Contracts for the erection of a building on that site were let in 1944 and foundation construction work commenced in February 1945. When an amount of \$11,500 had been spent on foundation work the then Prime Minister directed that it should cease.

Q.771

247. Having added temporary timber and fibro extensions the Commission remained in Stirling House until 1957. At that stage, however, it was no longer able to accommodate its operations on that site and the news, publicity and concert departments were moved to the building adjacent to its site at Rosehill. The standard of the temporary accommodation at Stirling House was described as being probably a little worse than the temporary premises currently occupied by the Commission in Adelaide.

Qs.769 and
770

248. Further planning for construction on the site at Rosehill commenced in 1954-55. We were informed that the problem was to design a fully operational complex with a large number of studios that would be grouped together and efficient, not only so far as the studios were concerned but also in respect of the ancillary accommodation such as record library, tape recording facilities and other equipment. Construction began on the site in 1958-59 and was completed in 1960. The foundations that had been laid in 1945 were unsuitable for later development and were removed.

Qs.753, 771
and 777

249. In planning the building the Commission had the services of the Department of Works Bank unit which is centralized in Sydney. It was claimed that the availability of this unit was a prime factor in ensuring the development and construction of a satisfactory building. Q.777

250. With all of its activities centred in modern buildings on one site which it owns, the Commission has no accommodation problems in Perth. The building at Rosehill consists of a quartet of buildings, one for radio administration, which includes a series of network and specialist studios. There is a television building which incorporates a studio of approximately 1,500 square feet, together with associated service and technical areas. The administration building provides accommodation for engineering staff and production facilities staff. The main building incorporates an orchestral studio and provides accommodation for the Western Australian Symphony Orchestra. The studio is also utilised for school and public concerts in which the Commission's orchestra and many of its musicians are featured. Exhibit 110/5 and Qs.777, 794 and 795

251. A number of practical benefits were said to have been achieved by the Commission since its occupation of the Rosehill building. These include the integration of staff, adequate supervision of the whole organisation and economies in expenditure on telephones, security and transport. Qs.788 to 793

252. At the time of our inquiry the Commission had developed plans for another small studio to be added to its Perth building. We were informed that this extension relates to the development of the Commission's technical requirements for the servicing of transmitters in country areas in Western Australia, for the provision of programmes to those transmitters and specifically the provision of different programmes. Qs.742 and 773

.Hobart.

253. The Commission's television operations in Hobart are carried out on its own site, in the main Television Building at 32 Harrington Street and in seven adjoining cottages some of which are very old. Exhibit 110/5

254. The Commission's radio and administrative activities are accommodated in leased premises in Elizabeth Street, Brisbane Street and Davey Street. Apart from the old cottages, the standard of the Hobart accommodation is reasonable. The Commission is anxious, however, to consolidate its activities as soon as possible. The site owned by the Commission was said to be restricted, but neighbouring properties are being acquired as the opportunity occurs. Exhibit 110/5 Qs.737,770 and 1066.

Regional Accommodation

255. We were informed that until it is known clearly whether the introduction of regional television is to be approved, it is desirable to maintain flexibility in respect of regional property acquisitions by acquiring leasehold premises. While regional offices occupied by the Commission were said to be adequate for present requirements, the Commission is planning for the acquisition of sites for probable future regional centres, but only in respect of radio broadcasting. Qs.941, 1048 and 1049.

256. It was stated that the Commission is required to demonstrate the existence of extreme difficulty in order to obtain accommodation for staff in regional areas before the Department of the Treasury will permit the acquisition of a house. Lack of adequate accommodation was said to pose a problem in the recruitment of staff for regional area postings as staff are separated from their families while accommodation is being obtained for them. It was felt by Commission witnesses that the attitude of the Department of the Treasury in this respect could, perhaps, be reviewed. Qs.806 and 807

257. In New South Wales the Commission owns premises in Canberra, Newcastle, Albury, Bega, Broken Hill, Kempsey, Orange, Tamworth and Wagga Wagga. Leased premises are held in Albury, Bega, Broken Hill, Grafton, Tamworth, Wagga Wagga and Wollongong. Of the premises owned by the Commission in New South Wales, those in Albury, Bega, Broken Hill, Tamworth and Wagga Wagga are residential.

Exhibit
110/5

258. Regional premises leased by the Commission in Victoria are located in Geelong, Horsham and Sale. The Commission owns a residence in Horsham.

259. Regional premises leased by the Commission in Queensland, are located at Cairns, Longreach, Mackay, Maryborough and Toowoomba. Residential regional accommodation owned by the Commission in Queensland is located at Mackay, Toowoomba and Townsville. Other regional accommodation owned by the Commission in Queensland is located at Longreach, Rockhampton, and Townsville.

260. Regional premises leased by the Commission in Western Australia are located at Albany, Bunbury, Fremantle, Geraldton and Kalgoorlie. Residential accommodation is owned by the Commission in Albany.

261. Accommodation is leased by the South Australian Branch of the Commission from the Northern Territory Housing Commission in Darwin. Residential accommodation is also owned by the Commission in Darwin. At the time of our inquiry the Commission was negotiating with the Northern Territory Administration for the purchase of a site for the construction of a television studio complex for Darwin. Accommodation is leased at Renmark in South Australia. Regional accommodation owned by the Commission in South Australia is located at Mount Gambier and Port Pirie. Regional residential accommodation owned by the Commission in South Australia is located at Mount Gambier, Port Pirie and Renmark.

Exhibit
110/5 and
Q.1067

262. Regional Accommodation in Tasmania is leased and the Commission owns residential accommodation in Launceston.

Overseas Accommodation

263. The Commission has no serious problems in relation to office or studio accommodation in Port Moresby. In Rabaul, however, the studio is located in a very old wartime building. The building in which the Port Moresby accommodation is located is new and meets requirements very well. Residential accommodation is provided for European and indigenous staff in Port Moresby and Rabaul. The standard of hostel accommodation in Rabaul was said to be good and private accommodation reasonably good.

Q.703

264. Accommodation is rented in London, Washington, New York, Djakarta, Tokyo, Singapore, Kuala Lumpur and New Delhi. The Commission has no serious problems in obtaining accommodation for its overseas offices. However, problems have arisen from time to time in obtaining accommodation at a suitable price. Accommodation in Djakarta has been inadequate in the past but an additional room was obtained recently. Accommodation in New York, Singapore, Japan, and Kuala Lumpur was said to be satisfactory. An office and flat leased by the Commission in New Delhi are well situated. The London office accommodation is not satisfactory. The office area was said to be too small and the building unsuitable. New accommodation is being sought for the London office.

Exhibit 110/5,
and Qs. 707
to 709.

Works Programming

265 Soon after its establishment in 1932 the Commission engaged the services of an Architect located in Sydney to undertake the planning and construction of its building requirements. In December of the same year the Department of the Interior offered its services to the Commission in the planning and construction of its buildings. The Commission accepted the offer and a small building project was entrusted to the Department. In 1934 the Audit Office suggested formally to the Commission that it should utilise the services of the Department of the Interior and the Commission largely followed this suggestion until 1941. Q.735

266 In 1941 the Commission reverted to the use of the services of its own Architect although, particularly during the war years it was unable to undertake a great deal of development. In 1942 the Gibson Committee recommended that the Commission should use the services of the Department of Works. As there was no legislation at that time which made it mandatory for the Commission to accept this recommendation and as the Commission preferred to employ its own Architect, it continued to do so. Qs.763,1199 to 1201,1286, 1302 & 1303.

In 1944 the Postmaster-General and the Director of Works in Western Australia raised with the Commission the matter of its employment of a private Architect. In view of its specialised requirements the Commission expressed its preference to continue to work with its own Architect. In 1949, following the recommendation by the Fitzgerald Commission that the Australian Broadcasting Commission should be financed through appropriations rather than license fees, the Postmaster-General determined that the Department of Works would carry out construction work for the Commission.

267 We were informed that prior to November 1967 the Commission was required to obtain overall Cabinet approval, in principle, for its requirements of new buildings throughout Australia. That approval having been obtained, the Commission was then able to take up with the Department of Works the order of priority of actual construction of each project. However, towards Qs.750,751 765 and 766.

the end of 1967 the Commission was informed that in future Cabinet would require projects to be submitted to it singly. Under this arrangement each project is submitted for preliminary Cabinet approval only after it has been considered by the Department of Works and a preliminary costing has been drawn up by that Department. After obtaining preliminary Cabinet approval the project is admitted to design list C, whereupon the Department of Works proceeds to prepare detailed sketches of the particular project and to assess a final cost. Providing this cost does not vary substantially from the initially assessed cost, the project is then scheduled for hearing before the Parliamentary Standing Committee on Public Works. If approved by that Committee the project is then reported upon to the Parliament. If the Parliament approves of the Report, the project is then referred to the Department of the Treasury and the Department of Works for inclusion on design list A. We were informed that while the Commission has not yet had the benefit of great experience in working under the new arrangement introduced in November 1967 it appeared to be preferable to the arrangement that operated previously. Nevertheless, it was claimed that the system is basically inflexible, having regard to the procedures required and in 1960 the then Chairman of the Commission had requested the Postmaster-General to exempt the Commission from compliance with the arrangements then operating. The Postmaster-General, however, had not agreed to this request.

268 In elaborating on the Commission's problems under the existing system the witness pointed out that the Commission is a specialised client of the Department of Works and has, in relation to many of its buildings, particular problems such as acoustics and sound proofing on which it regards itself as more expert than the Department of Works. The system under which the Department of Works operates can involve many years from the planning to the completion of projects. This situation was said to be unsuitable for the broadcasting industry in which the Commission operates and which is changing technologically at a rapid rate. The Commission's programming also changes rapidly and it was said that the type of inflexibility inherent in the system

Qs. 633, 764
866 and 1205

makes it difficult for the Commission to operate easily and conveniently. One particular problem instanced by the Commission is the requirement that it should not submit detailed plans of its proposals to the Department of Works. In this regard reference was made particularly to the Collinswood project in which the Commission had submitted a detailed design and sketches to the Department of Works. Subsequently the Department informed the Commission that a new procedure had been introduced which required the Commission to submit written narrative instructions of its requirements accompanied by sketch plans. The Commission claimed that while this method may not prove difficult where office accommodation is concerned, it is a handicap in relation to studio facilities and technical areas. At the same time the witness considered that the Commission's problems would be overcome only by working in closer collaboration with the Department of Works in regard to the details of projects.

269. He specifically questioned the Department of Works Observer, Mr. Dalton, in regard to the problems involved in the submission by the Commission of verbal instructions relating to its project proposals. We were informed that in the preparation of the brief, the material required by the Department of Works could be obtained if its officers were able to collaborate with the Commission's officers very early in the establishment of the Commission's requirements. All that the Department requires is a statement of the Commission's functional needs supported by a diagram showing the inter-relationship of the various areas involved. It was said that this would provide the Department with more lead time in which to prepare sketches, obtain approvals and then go through the various phases on the major projects that lead to review by the Parliamentary Standing Committee on Public Works. This matter had been discussed with the Commission's officers on several occasions and the position had improved. The Department of Works Observer added that in the past the Commission may have drawn up its plans in too great detail, possibly because it lacks the facilities of engineering disciplines. In many cases the plans produced required modification when they were submitted to the Department of Works. Early consultation between officers of the Department

qs. 1207 to 1209
and 1308

and the Commission to establish the Commission's functional and operational requirements would avoid abortive work and also ensure the quicker commencement of projects.

270. In view of the earlier reluctance of the Commission to place projects with the Department of Works and the problems that were said to have arisen in the work programme area we questioned the Commission witnesses as to whether the Commission would gain any material benefit by arranging its own architectural work to be undertaken wholly by its own design staff or by private consultants. We were informed that while private consultants would not necessarily have the required expertise, the Commission would develop in them the type of expertise which it had available. Such consultants would work very closely to the brief for the Commission's specialised requirements. Under such an arrangement the Commission would require an increase in staff in its architectural and design areas. The witness added that recently consultation has taken place between the Director-General of Works and the General Manager of the Commission. Arising from this the Commission believes that the Department of Works is anxious to give it the best possible service. Should the Commission and the Department fail to find a long-term satisfactory basis for implementing the Commission's works programme, however, the Commission would need to consider other alternatives. Qs. 766 and 1213

271. We also questioned the Department of Works Observer, Mr. Dalton, on the desirability of the Commission arranging its works design through private consultants. We were informed that the Department of Works contains a great deal of expertise including architectural and engineering disciplines on which it can draw and which is far in excess of similar resources available to private consultants. He considered that most private consultants would be prepared to engage in a wide range of projects even though they may not have any expertise in the type of projects concerned. In these circumstances the Commission, in allocating projects to private consultants would, of necessity, need to restrict the work to a few favoured firms in order to develop in them the expertise required. In turn, these architects would need to rely on engineering Qs. 1214, 1215 and 1209

consultants whom they would engage and these consultants would need to develop the type of expertise related to complex engineering problems associated with the development of studios and similar types of complexes. In these circumstances the Observer considered that the interests of the Commission are best served by using the Department of Works resources. He added, however, that in the past, private consultants under the control of the Department of Works have been used on the Commission's works projects.

272. The evidence tendered also shows that in recent years the Commission has had the benefit of assistance from the Department of Works' Bank Unit. The Department of Works Observer, Mr. Dalton informed us that this unit is under the control of an Assistant Director-General and is complete within itself, comprising architects, engineers and a small administrative staff. The Unit had been established some years ago to undertake special projects for the Commonwealth Bank of Australia. While it still performs this function for the Reserve Bank of Australia and the Commonwealth Banking Corporation, it had the capacity, when television was introduced in Australia, to process the major television complexes in New South Wales and Victoria. The Observer assured us that the Bank unit is available to assist the Commission with its major projects. The Commission witnesses recognised that the availability of this unit had played an important part in the development of a very satisfactory building for the Commission in Perth. It was added that the continued use of the Bank Unit would provide the Commission with a particular advantage in that all of the Commission's major building projects which contain certain common elements of studio and accoustical requirements would be handled by one section of the Department of Works. From this the Commission would expect to obtain a higher degree of expertise and other benefits that derive from a centralisation of major efforts.

Qs. 741, 777,
1268 and
1269

273. Early in 1966 the General Manager of the Commission raised with the Director-General of Works the problems of the Commission in works programming. Since that time a number of discussions have

taken place at that level and between officers at other levels in both organisations. The witness representing the Commission expressed the view that a satisfactory understanding had been reached and that the Commission now desires to remain a client of the Department of Works. The Treasury Observer, Mr. Hunter, informed us that following a Government direction, a revised Treasury Circular would be issued on civil works procedures. His Department felt that the new circular would be of real assistance to the Department of Works, the Commission and other client organisations in defining the relative roles of the sponsor and the Department of Works in forward planning and in clarifying a number of matters that have arisen over the years.

Qs. 1204,
1310, 1311
and 1431

274. In the context of the problems raised by the Commission we noted the assertion made by a Commission witness that in recent years the Commission has attempted to implement too large a programme without proper planning, in an environment of rapid technological change. Recognising this, the Commission proposes to establish a central planning unit to co-ordinate the efforts of the building section and to provide the Commission with control, co-ordination and forward planning. It is envisaged that the unit will be located in the head office of the Commission and will work direct to top management. It will be headed by a senior officer who will have immediate responsibility to management for the overall planning of the Commission in technical, film and building areas and in respect of problems related to future programme plans. It will be the responsibility of this unit either to have in it, or to work closely with, a planning programme officer so that the central planning unit will be aware of programme plans for the future and the changes in equipment that may be necessary to accommodate programme plans and the techniques in producing them. It is also envisaged that the unit will work closely with the engineering services area of the Commission so that it will be able to ensure that future planning in this area is adequate. The building section of the Commission will work closely with the planning unit or perhaps be included in that unit. Hence the Commission's future building requirements will be related to planning in technical and programme areas. The witness

Qs. 1404,
1407 and
1418

Qs. 1407 and
1408

stated that the Commission believes that the technology of television and radio will develop at a more rapid rate during the next five or ten years than during recent years and that the Commission must plan more positively for the future if it is to discharge its responsibility to the Australian community.

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Chapter 5.

Financial Administration

275. As a part of our inquiry we sought from the Commission details of its financial statements of Receipts and Payments for the financial years 1957-58 to 1966-67 and information relative to changes during these years in the form of those financial statements. These aspects of the Commission's administration are considered in this chapter.

The Form of the Financial Statements

276. Section 68 of the Broadcasting and Television Act 1942-1967 provides that the Commission shall prepare estimates, in such form as the Minister directs, of its receipts and expenditure for each financial year and shall submit those estimates to the Minister.

Exhibit
110/3

277. Section 78 of the Broadcasting and Television Act 1942-1967 provides, inter alia, that the Commission shall, as soon as possible, but not later than six months after the expiration of each financial year, prepare a financial statement in accordance with a form approved by the Treasurer, and shall forward it, together with a report on the operations of the Commission during that year, to the Minister, for presentation to both Houses of the Parliament. Before forwarding the financial statement to the Minister, the Commission is required to submit it to the Auditor-General for the Commonwealth for report as to its correctness or otherwise.

278. The information tendered by the Commission in relation to its receipts and payments for the years 1957-58 to 1966-67 showed that a substantial change had been made in the form of the Operational Payments Statement in 1961-62. The nature of this change is shown in Table No.10 below.

Exhibit
110/4

Table No. 10
Australian Broadcasting Commission
The Form of the Operational Payments Statement
(prior to 1961-62 and 1961-62)

Exhibit 110/4

| Prior to 1961-62 | 1961-62 |
|--|--|
| <u>Sound Broadcasting</u> | <u>Administration</u> |
| Music and Variety | Salaries |
| Drama and Features | Expenses |
| Youth Education | <u>Total</u> |
| Spoken Transmissions | <u>Programmes</u> |
| News Service | <u>Direct Operational Expenses</u> |
| Concert activities | Salaries - Staff |
| Public Relations and Publicity | - Musicians |
| "The A.B.C. Weekly" | Expenses |
| Other Publications | P.H.G. Technical Services |
| Landline Services | <u>Total</u> |
| General Programme Expenses | <u>Production Facilities</u> |
| Administration Expenses | Salaries |
| Imprest advances for Overseas and other purposes | Expenses |
| | <u>Total</u> |
| <u>Television</u> | <u>Engineering and Other Technical Services</u> |
| Programme Expenses | Salaries |
| Engineering and Other Technical Services | Expenses |
| Service and Supplies | <u>Total</u> |
| Administrative Expenses | <u>News Service</u> |
| | Salaries |
| | Expenses |
| | <u>Total</u> |
| | <u>Other Activities</u> |
| | Concerts |
| | Overseas Service - Radio |
| | Australia |
| | Publications, Advertising and |
| | Public Relations |
| | <u>Total</u> |
| | <u>Increase in Imprest Advance for Overseas and Other Purposes</u> |
| <u>Gross Operational Expenses</u> | <u>Gross Operational Expenditure</u> |

Source: A.B.C.

279. In view of the changes made in the Operational Payments Statement in 1961-62 which included the integration of sound broadcasting and television payments, we sought specific information as to the circumstances underlying the change. We were informed that in 1961-62 a change had been made in the form of the Commission's estimates shown in the document "The Budget" and included in later years in the document "Estimates of Receipts and Summary of Estimated Expenditure". The effect of that change was to eliminate the analysis of radio programmes into specific types. The witness noted that the Broadcasting and Television Act left to the Commission the matter of determining details of the individual programmes which it must provide in accordance with its responsibilities under the Act. Therefore it had apparently been considered inappropriate to confine the Commission to predetermined levels of expenditure in its estimates for various types of radio programmes as had been the case previously, particularly as no such predetermined levels of expenditure had been set for the Commission in relation to television programmes.

Qs. 582
and 583

280. We were informed that the matter of amalgamation of radio and television data in the Commission's estimates and in the Statement of Receipts and Payments had been the subject of discussion in meetings between the Commission's officers and officers of the Department of Treasury. Officers of the Auditor-General's office had participated in discussion relating to the Statement of Receipts and Payments. As television developed, the question of dissecting expenditure between radio and television had been discussed until 14 March 1961 when the then Chairman of the Commission wrote to the then Postmaster-General in relation to the form of the Estimates and stated:

Q.584

"The Treasury agrees with us that the existing form is not suitable as it necessitates the dissection on an arbitrary basis of a number of items of expenditure under various headings between radio and television, an arrangement which causes confusion in the allocation of expenditure and makes budgetary control of funds difficult. This particularly applies to the dissection of the salaries of, and expenditure associated with, the many members of the staff who have responsibilities or duties in both media."

281. In April, 1961 the General Manager of the Commission advised the Department of the Treasury that the Postmaster-General had approved a new form for the presentation of the Commission's estimates to Parliament. The new form provided for programme costs to be subdivided into Salaries on the one hand and Expenses on the other. The Subdivision of expenses was between (i) radio direct costs; (ii) television direct costs; and (iii) the integrated field. This change, which meant the discontinuation of the overall dissection between radio and television costs was introduced at the same time as that which discontinued the dissection of the cost of radio programmes.

Q.584

282. We were informed that the change having been made in the Commission's estimates, a similar change was made in the Commission's annual Statement of Receipts and Payments. From 1961-62 therefore, the estimates of expenditure, as approved by the Treasurer and as submitted by him for the information of the Parliament and the Statement of Receipts and Payments showing the financial results of the previous year were, with the approval of the two Ministers concerned, prepared and presented to the Parliament under classifications which accorded, in general, with the broad functions given to the Commission under the Broadcasting and Television Act.

Q.582
and 583.

RECEIPTS.

283. A summary of the Receipts of the Commission for the years 1961-62 to 1967-68 is shown in Table No. 11.

Table No. 11

Australian Broadcasting Commission

Exhibit
110/4
andCommittee File
1968/3

Statement of Receipts

(1961-62 to 1967-68)

| Source | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|---|------------|------------|------------|------------|------------|------------|------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| <u>Parliamentary Appropriations.</u> | | | | | | | |
| Operational | 18,600,000 | 20,604,000 | 25,300,000 | 27,280,000 | 31,533,000 | 35,237,000 | 38,718,000 |
| Capital | 1,100,000 | 920,000 | 1,400,000 | 1,680,000 | 1,400,000 | 1,450,000 | 1,500,000 |
| <u>Total</u> | 19,700,000 | 21,524,000 | 24,700,000 | 28,960,000 | 32,933,000 | 37,287,000 | 40,218,000 |
| <u>Subsidies for Symphony Orchestras.</u> | 253,282 | 237,493 | 311,758 | 319,126 | 321,580 | 345,020 | 367,753 |
| Revenue from sale of News. | 46,548 | 53,618 | 53,650 | 49,882 | 50,455 | 58,919 | 45,036 |
| Proceeds from public Concerts. | 675,488 | 629,128 | 589,486 | 574,874 | 788,154 | 743,834 | 701,482 |
| Revenue from Publications. | 978,138 | 1,121,174 | 1,344,306 | 1,264,540 | 1,644,230 | 1,652,980 | 1,718,334 |
| Miscellaneous Receipts | 71,320 | 62,926 | 121,644 | 227,556 | 316,167 | 253,022 | 159,052 |
| <u>Total Receipts</u> | 21,724,776 | 23,623,344 | 27,120,844 | 31,355,978 | 36,053,586 | 40,341,575 | 43,209,657 |

Sources: Department of the Treasury and A.B.C.

284. Details of the Commission's Receipts other than from Parliamentary Appropriations which were submitted to us are set out in Tables No. 12 to 15 below.

• Subsidies for Symphony Orchestras

Table No. 12

Australian Broadcasting Commission
Subsidies for Symphony Orchestras
(1961-62 to 1967-68)

Exhibit 110/4
Q945 and
Committee
File 1968/3

| Orchestra | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|------------------|---------|---------|---------|---------|---------|---------|---------|
| Sydney | 80,000 | 60,000 | 107,500 | 100,000 | 100,000 | 100,000 | 100,000 |
| Melbourne | 65,000 | 67,000 | 67,000 | 65,000 | 65,000 | 87,000 | 97,000 |
| Queensland | 37,500 | 37,500 | 57,500 | 60,000 | 60,000 | 60,000 | 60,000 |
| South Australian | 35,000 | 35,000 | 40,016 | 48,000 | 48,000 | 46,000 | 46,600 |
| West Australian | 22,482 | 24,698 | 26,442 | 32,826 | 35,280 | 35,020 | 46,353 |
| Tasmanian | 13,300 | 13,300 | 13,300 | 13,300 | 13,300 | 17,800 | 47,800 |
| Total | 253,282 | 257,498 | 311,758 | 319,126 | 321,580 | 345,820 | 397,753 |

Source: A.B.C.

285 We were informed that the establishment by the Commission of orchestras for the presentation of fine music has had the incidental result of relieving Australian State Government and Capital City local authorities from the obligation which in European and other cultural centres usually falls to such public bodies either alone or in conjunction. In return for a limited subsidy a State Government and City Council are entitled to share the credit of and status attaching to association with an orchestra, established, built up, staffed and serviced by the Commission's music Department, library and professional concert organisation.

Qs. 361,
542 and
Committee
File.
1963/3

286 It was stated that the privilege of association with an orchestra is not proportioned between a State Government and a City Council according to their different contributions or between States according to the amount of local subsidy. As a concomitant of a subsidy, however, a State Government and a City Council are entitled to participate to some degree in the marginal problems of an orchestra through nominees on an advisory committee which functions in relation to each orchestra with right to report to the appointing Government or authority.

287 The Commission may not demand and may only negotiate a subsidy and its increase. Since the inception of the orchestras, the Commission has made approaches from time to time to state governments and City Councils for increases in subsidies paid by these authorities when the operating costs of the orchestras have increased and when it was deemed desirable to increase the strength of the orchestras.

Qs 361,
542
and
Committee
File 1968/3

288 The payment of an annual subsidy of \$40,000 by the New South Wales Government and \$20,000 by the Council of the City of Sydney had first been made to the Sydney Symphony Orchestra in 1946. The annual contribution by the New South Wales Government was increased to \$50,000 in 1952 and \$75,000 in 1963 while the contribution by the Council of the City of Sydney was increased to \$25,000 in 1964 bringing the total annual subsidy to \$100,000.

289 The Victorian State Government commenced an annual subsidy of \$40,000 to the Melbourne Symphony Orchestra in 1949. This was increased to \$50,000 in 1953, \$65,000 in 1961 and \$75,000 in 1967.

Qs. 361,
542 and
Committee
File 1968/3

The Melbourne City Council commenced payment of an annual subsidy of \$2,000 to the Orchestra in 1959.

290 The payment of an annual subsidy of \$20,000 by the Queensland Government and \$10,000 by the Brisbane City Council to the Queensland Symphony Orchestra commenced in 1947. The annual contribution by the Queensland Government was increased to \$25,000 in 1951 and \$45,000 in 1963 while the contribution by the Brisbane City Council was increased to \$12,500 in 1951 and \$15,000 in 1964.

291 In 1949 the South Australian Government and Adelaide City Council commenced the payment of annual subsidies to the South Australian Symphony Orchestra at a rate of \$10,000 and \$5,000 respectively. The State Government subsidy was increased to \$20,000 in 1952, \$25,000 in 1953, \$28,000 in 1960 and \$40,000 in 1964, while the subsidy from the Adelaide City Council was increased to \$6,000 in 1964 and \$7,000 in 1968. The South Australian Symphony Orchestra also received subsidies from the South Australian Orchestral Association Incorporated from 1949 until 1966. This subsidy commenced at a rate of \$12,000 per annum but declined to \$8,000 in 1951, \$4,000 in 1952, \$2,000 in 1953 and ceased in 1966.

Ms. 361,
542 and
Committee
File. 1968/3

292 In 1950 the West Australian Government and Perth City Council commenced the payment of annual subsidies to the West Australian Symphony Orchestra at a rate of \$10,000 and \$1,000 respectively. The State Government subsidy was increased to \$13,000 in 1953, \$15,000 in 1956, \$19,000 in 1959, \$22,000 in 1962, \$30,000 in 1964 and \$40,000 in 1967. The subsidy provided by the Perth City Council was increased to \$1,500 in 1953, \$2,000 in 1956, \$3,000 in 1963 and \$4,000 in 1964. The orchestra also received an additional \$2,250 from Municipal Councils and Road Boards in 1967-68.

293 In 1948 the Tasmanian Government, Hobart City Council and Launceston City Council commenced the payment of annual subsidies to the Tasmanian Orchestra at rates of \$10,000, \$1,000 and \$500 respectively. The Tasmanian Government subsidy was increased to \$12,000 in 1951 and \$16,000 in 1966. The Hobart City Council subsidy declined to \$500 in 1952 but was increased to \$700 in 1958 and \$1,000 in 1966. The Launceston City Council subsidy was increased to \$600 in 1951 and \$800 in 1966.

Ms. 361,
542 and
Committee
File.

• Revenue From Sale of News.

Table No. 13
Australian Broadcasting Commission
Revenue from Sale of News
(1961-62 to 1967-68)

Q545
and
Committee
File 1968/3

| Item | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Radio | \$ 23,138 | \$ 22,156 | \$ 20,102 | \$ 15,686 | \$ 18,128 | \$ 23,535 | \$ 24,234 |
| Television | 23,410 | 31,462 | 33,548 | 34,196 | 32,327 | 35,384 | 20,802 |
| Total | 46,548 | 53,618 | 53,650 | 49,882 | 50,455 | 58,919 | 45,036 |

Source: A.B.C.

294 The source of this revenue is the sale of the Commission's news broadcasts to commercial radio stations on relay through arrangement with the Postmaster-General's Department. The Commission decided, on the introduction of television, that in those country areas where it would be difficult for a commercial station at its establishment to develop its own news service, it would permit the relay of the national television news for a period of years or until a national broadcasting service was established in the area. Q.S. 105 to 108

295 It was stated that the Commission had withdrawn the right, in some cases, of television stations to telecast the Commission's news bulletins. It was felt that there was no obligation to continue the service in a case where a commercial company was well established and able to provide its own service. We were assured, however, that the Commission would take due note of any public demand or preference for an A.B.C. news bulletin to be released on a commercial station. Q.S. 106 to 109

Q. 104 to 109

296 At the time of our inquiry, two commercial television stations and thirty-nine commercial radio stations were taking the Commission's news bulletins. Q.S. 104 and 105

Revenue From Publications

Table No. 14

Australian Broadcasting Commission
Revenue from Publications
(1961-62 to 1967-68)

Q.545 and
Committee File
1968/3

| Item | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|------------------|------------|------------|--------------|--------------|--------------|--------------|--------------|
| "M.V. Times" | \$ 827,128 | \$ 948,930 | \$ 1,129,936 | \$ 1,027,848 | \$ 1,390,411 | \$ 1,388,729 | \$ 1,430,529 |
| School Booklets | 143,760 | 158,026 | 185,604 | 201,566 | 205,889 | 218,161 | 240,759 |
| Cricket Booklets | - | 2,818 | 8,626 | 4,746 | 15,637 | 5,494 | 276 |
| Radio Guide etc. | 7,250 | 11,400 | 20,140 | 30,330 | 32,293 | 40,596 | 46,770 |
| Total | 978,138 | 1,121,174 | 1,344,306 | 1,264,540 | 1,644,230 | 1,652,980 | 1,718,334 |

Source: A.B.C.

297 The most significant source of revenue from publications is the "M.V. Times". The history of this publication is given in Chapter 2 of this Report.

298 In October 1960 the Commission entered into joint venture with Australian Consolidated Press Ltd. for the publication of "M.V. Times", to commence as from 1 January, 1961. The Commission prepares a monthly statement of income and expenditure, on a commercial basis for this publication. Losses are met equally and profits are shared equally by the partners in the venture. The Treasury Observer, Mr. Lynch, informed us that details of the commercial viability of the venture are submitted to the Department of the Treasury and each year the Commission has been questioned on its profitability.

Qs.47, 59,
309, 324 and
Committee File
1963/3

Miscellaneous Receipts

Table No. 15
Australian Broadcasting Commission
Miscellaneous Receipts
(1961-62 to 1967-68)

| Item | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Rent of Staff Houses | 13,518 | 14,908 | 19,505 | 22,224 | 23,678 | 32,244 | 40,528 |
| Sale of Radio & T.V. Programmes | 38,732 | 28,986 | 61,035 | 60,591 | 95,839 | 76,256 | 57,635 |
| Revenue from New Guinea Hostel | 7,154 | 7,570 | 7,365 | 12,244 | 14,334 | 12,017 | 12,983 |
| Hire of Music | 112 | 162 | 85 | 166 | 106 | 11 | - |
| Commission on Insurance Reductions from Salaries | 1,662 | 1,902 | 2,196 | 2,804 | 3,177 | 3,806 | 4,498 |
| Sale of Listener Surveys | 950 | 870 | 400 | 650 | 650 | 1,575 | - |
| Reimbursement of Installation costs (State Electricity Commission of Victoria) | 2,472 | 1,413 | 1,295 | 1,295 | 1,412 | 1,294 | 6,904 |
| Sale of Land and Buildings | 4,400 | - | 4,210 | 104,412 | 3,328 | - | - |
| Royalties | - | 2,088 | 1,834 | 840 | 1,543 | 745 | 494 |
| Management Fee - Vismova Singapore Agency | - | - | 17,500 | 17,500 | 22,500 | 25,000 | 21,429 |
| Exchange Adjustment - Djakarta | - | 3,250 | 1,022 | - | - | - | - |
| Overseas Orchestral Tours | - | - | - | - | 112,510 | 64,632 | - |
| Melbourne University - Grant towards Myer Bowl Concerts | - | - | - | - | 12,000 | 12,000 | 12,000 |
| Revenue from Sydney Canteen | - | - | - | - | 16,616 | 19,296 | - |
| Incidental Receipts | 2,520 | 1,777 | 5,197 | 4,824 | 8,474 | 4,146 | 2,581 |
| Total | 71,320 | 62,926 | 121,644 | 227,556 | 316,167 | 253,022 | 159,052 |

* Change in accounting practice; Shown as Trust Fund monies.

Source: A.B.C.

PAYMENTS

299 A summary of the Payments made by the Commission for the years 1961-62 to 1967-68 is shown in Table No. 16 .

Table No. 16

Australian Broadcasting Commission
Statement of Payments
(1961-62 to 1967-68)

| Item | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|--------------------|------------|------------|------------|------------|------------|------------|------------|
| <u>Operational</u> | | | | | | | |
| Administration | 1,295,998 | 1,348,434 | 1,542,272 | 1,692,388 | 1,962,643 | 2,224,777 | 2,456,108 |
| Programmes | 17,375,098 | 18,901,826 | 20,940,790 | 24,861,022 | 28,992,377 | 32,676,572 | 35,215,401 |
| Other Activities | 2,171,134 | 2,480,256 | 3,195,894 | 3,217,040 | 3,675,853 | 3,972,269 | 4,029,333 |
| Imprest advance | - | - | - | - | 20,000 | 20,000 | - |
| Total Operational | 20,841,830 | 22,730,516 | 25,678,956 | 29,770,450 | 34,651,876 | 38,893,618 | 41,700,842 |
| Capital | 1,003,929 | 752,448 | 1,564,841 | 1,550,406 | 1,529,522 | 1,450,110 | 1,500,134 |
| Total Payments | 21,845,759 | 23,489,964 | 27,243,797 | 31,320,856 | 36,181,400 | 40,343,728 | 43,200,976 |

Source: A.B.C.

300 In examining in detail the payments made by the Commission account was taken of the fact that it operates in a competitive environment with commercial radio and television organisations. For this reason certain submissions relating to its expenditure were tendered confidentially by the Commission and were accepted by Your Committee on that basis. Subject to this consideration, details of the Commission's expenditure for the years 1961-62 to 1967-68 are shown below.

Administration Expenditure

Table No.17

Exhibit 110/4

Australian Broadcasting Commission

Administration Expenditure

(1961-62 to 1967-68)

| Item | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Salaries | \$ 1,026,768 | \$ 1,066,760 | \$ 1,207,786 | \$ 1,319,553 | \$ 1,484,860 | \$ 1,721,015 | \$ 1,839,316 |
| Expenses | 268,830 | 281,674 | 334,486 | 372,835 | 477,788 | 503,762 | 625,792 |
| Total | 1,295,598 | 1,348,434 | 1,542,272 | 1,692,388 | 1,962,648 | 2,224,777 | 2,465,108 |

Source: ...B.C.

301 Details of the Commission's administrative payments were submitted for the years 1963-64 to 1966-67.

• Salaries

302 Table No. 18 gives details of increased expenditure on salary and related payments for the years 1964-65 to 1966-67 inclusive.

Table No. 18
Australian Broadcasting Commission
Increased Expenditure on Salary and Related Payments
(1964-65 to 1966-67)

Q.591
 1137 to 1139
 and
 Committee File
 1968/3

| Item | 1964-54 | 1965-66 | 1966-67 |
|-----------------------------------|-----------------------|----------------------|-----------------------|
| New Positions Created | 74,800 | 61,800 | 38,900 |
| Salary Awards and Determinations. | 11,000 | 56,300 | 174,400 |
| Furlough Payments | 4,400 | 12,700 | - |
| Meal Allowances | 1,000 | 1,100 | 3,300 |
| Basic Wage Adjustments | 34,400 | - | 38,600 |
| Annual Salary Increments | 18,000 | 10,600 | 10,000 |
| Extra Duty Pay | 12,000 | 26,100 | - |
| Other Minor Variations | 1,167 | - | - |
| Total | 156,767 | 168,600 | 265,200 |
| Less Reductions | 45,000 ^(a) | 3,295 ^(b) | 29,045 ^(c) |
| Total salary Variations | 111,767 | 165,307 | 236,155 |

(a) Retrospective portion of Marginal increase.

(b) Vacancies and other minor variations.

(c) Reduction in Furlough Payments \$22,500 and reduction in extra duty payments and other minor variations \$6,545.

Source: A.B.C.

• Expenses.

303 Details of the Commission's administrative expenses for the years 1963-64 to 1966-67 are given in Table No. 19 .

Table No. 19
Australian Broadcasting Commission
Administrative Expenses
(1963-64 to 1966-67)

Qs. 591, 1137 to 1139
and Committee
File 1968/3

| Item | 1963-64 | 1964-65 | 1965-66 | 1966-67 |
|---|----------------|----------------|----------------|----------------|
| <i>Accommodation -</i> | \$ | \$ | \$ | \$ |
| - Rent and Rates | 61,826 | 80,876 | 125,335 | 129,196 |
| - Light and Power | 11,444 | 13,452 | 22,142 | 20,986 |
| - Repairs and Maintenance | 22,052 | 24,824 | 23,325 | 34,941 |
| - Office Equipment | 14,332 | 14,408 | 28,917 | 16,963 |
| - Office Cleaning (other than salaries) | 11,340 | 14,346 | 13,647 | 12,992 |
| <u>Total Accommodation</u> | 120,994 | 147,906 | 213,366 | 215,078 |
| Office Requisites, Stationery and Printing | 30,276 | 36,846 | 40,554 | 39,694 |
| Travelling Expenses | 75,906 | 69,750 | 98,178 | 116,905 |
| Telegrams, Telephones, Teletypewriters and Cables | 53,960 | 62,818 | 65,236 | 72,938 |
| Postage | 12,132 | 13,148 | 12,639 | 5,868 |
| Freight and Cartage | 16,416 | 13,972 | 19,452 | 14,149 |
| Legal Expenses | 3,306 | 3,484 | 5,503 | 3,788 |
| Newspaper advertising - positions vacant | 2,504 | 4,512 | 4,545 | 3,833 |
| Data Processing and systems analysis | - | - | - | 2,587 |
| Incidental expenses | 18,992 | 20,399 | 18,315 | 29,372 |
| Total Administrative Expenses | 334,486 | 372,835 | 477,788 | 503,762 |

Source: A.B.C.

304 The main factors affecting increases in administrative expenses in the years 1964-65 to 1966-67 were as follows:-

(1) Accommodation

305 We were informed that the increase of \$26,836 in accommodation expenditure in 1964-65 arose from the acquisition of premises in Sydney and Melbourne to accommodate additional staff. It was stated that the increase of \$44,459 in rent and rates in 1965-66 represented the balance of the cost for a full year of the premises occupied for portion of the previous

financial year (e.g. 164 William St., Sydney, and C.M.L. Building, Melbourne) and the cost for the portion of the year in which Broadcast House, Sydney was occupied during 1965-66. These increases were partly offset by savings in the rental of premises vacated, e.g. Broadcast House, 264 Pitt Street, Sydney and Porter House, Castlereagh Street, Sydney and Lowes Building, Pitt Street, Sydney. These two factors resulted in an increase in expenditure on light and power.

306 We were informed that the moves to 145 Elizabeth Street had enabled the Commission to replace existing outmoded office furniture which had been in constant use for up to thirty years. During 1965-66 expenditure on adaptations and alterations to premises was much less than that incurred during the previous year, resulting in reduced expenditure on repairs and maintenance for that year.

307 The increase of \$3,861 in payments for rents and rates in 1966-67, covered the balance of cost for a full year of new premises taken over during the latter part of the previous year. During 1966-67 the facing of Perth premises required attention by the Department of Works and the increase in repairs and maintenance in that year represents the proportion of those repairs applicable to administration.

(ii) Office Requisites, Stationery and Equipment

308 We were informed that during the latter portion of 1964-65, deliveries were received of bulk supplies of paper required for use in 1965-66. The conversion to Decimal Currency on 14 February, 1966, resulted in a sharp increase in expenditure in 1965-66 on the printing of new forms. Because of the volume and urgency of this work the Commission found it necessary to have a large proportion of the work carried out by non-Commission organisations at a greater cost than would have been the case if undertaken by the Commission's printing section.

(iii) Travelling Expenses

309 There was a decline in the number of overseas visits undertaken by officers of the Commission in 1964-65 but this was partly offset by an increase in airfares as from 18 August 1964. In 1965-66

a number of transfers occurred involving the movement of staff and their families between Australia and the Commission's overseas offices in London and New York. In 1966-67 there was an increase of \$18,727 in expenditure arising from increased travel by officers in connection with Arbitration Proceedings, the Promotion Appeals Board and the number of overseas visits made by members of the Commission's staff. In addition air fares were increased on 1 October, 1966.

(iv) Telegrams, Telephones
Teleprinters and Cables

310 We were informed that expenditure in 1964-65 included a progress payment to the Postmaster General's Department against the cost of installing a new PABX switchboard in Sydney. In addition, there was an increase in the charges made by that Department for telephone rentals as from 1 October 1964. The increase of \$2,418 in 1965-66 represented the balance of cost of the proportion of additional rental of the new service installed in the previous year, applicable to "administration".

(v) Postage

311 It was stated that the increase of \$1,016 in expenditure on postage in 1964-65 was due to a general increase in Commission activities. The decline of \$6,771 in 1966-67, however, arose from a change made in the method of dissecting the charges for postage and the proportion attributable to "administration".

(vi) Freight and Cartage

312 We were informed that prior to 1 July 1964, the cost of moving the furniture and effects of Commission staff transferred interstate had been charged to the Commission by the Department of Supply. Since that date the charges have been borne by the Department of Supply, thus explaining the reduction of \$2,444 in expenditure in 1964-65. The increase of \$5,480 in expenditure in 1965-66 related to the cost of removal of the administrative offices in Sydney from 264 Pitt Street to 145 Elizabeth Street.

(vii) Incidental Expenses

313 We were informed that the main reason for the increase of \$11,057 in expenditure in 1966-67 was the subscriptions made to the Asian Broadcasting Union for 1967-68 but paid prior to 30 June 1967. In addition there were other minor increases in expenditure of an incidental nature.

Programmes expenditure

314 Details of programmes expenditure by the Commission during the years 1961-62 to 1967-68 are given in Table No. 20.

Table No. 20

Australian Broadcasting Commission
Programmes Expenditure
(1961-62 to 1967-68)

Exhibit 110/4

| Item | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|---|------------|------------|------------|------------|------------|------------|------------|
| <u>Direct Operational</u> | | | | | | | |
| Expenses - Staff | 3,776,630 | 4,046,972 | 4,367,018 | 4,916,338 | 5,427,563 | 6,550,122 | 7,138,436 |
| Salaries - Musicians | 1,367,468 | 1,366,904 | 1,485,234 | 1,603,230 | 1,680,823 | 1,784,068 | 1,982,638 |
| Expenses | 6,027,874 | 6,622,766 | 7,165,794 | 7,925,008 | 9,150,439 | 10,177,405 | 10,866,447 |
| P. M.G. Technical Services | 396,772 | 1,008,683 | 1,337,666 | 1,598,700 | 2,446,112 | 3,107,996 | 3,441,436 |
| <u>Total Direct Operational Expenses</u> | 12,070,744 | 15,065,332 | 14,355,762 | 16,048,406 | 18,684,937 | 21,619,591 | 23,471,956 |
| <u>Production Facilities</u> | | | | | | | |
| Salaries | 1,140,902 | 1,505,172 | 1,544,116 | 1,789,042 | 2,110,575 | 2,200,779 | 2,343,111 |
| Expenses | 220,526 | 237,524 | 253,832 | 297,848 | 309,444 | 513,817 | 528,646 |
| <u>Total Production Facilities</u> | 1,361,428 | 1,542,696 | 1,798,248 | 2,086,890 | 2,420,017 | 2,514,596 | 2,671,677 |
| <u>Engineering & other Technical Services(a)</u> | | | | | | | |
| Salaries | 1,532,154 | 1,714,822 | 1,989,898 | 3,500,830 | 4,354,615 | 4,790,575 | 5,211,285 |
| Expenses | 485,623 | 524,902 | 623,758 | 872,372 | 1,075,790 | 1,090,207 | 834,560 |
| <u>Total Engineering and other Technical Services</u> | 2,017,782 | 2,239,724 | 2,613,656 | 4,373,202 | 5,430,405 | 5,880,782 | 6,045,845 |
| <u>News Service</u> | | | | | | | |
| Salaries | 1,159,776 | 1,236,038 | 1,228,784 | 1,376,422 | 1,439,823 | 1,575,402 | 1,861,973 |
| Expenses | 762,368 | 818,036 | 944,340 | 976,102 | 1,017,195 | 1,086,201 | 1,158,870 |
| <u>Total News Service</u> | 1,922,144 | 2,054,074 | 2,173,124 | 2,352,524 | 2,457,018 | 2,661,603 | 3,020,843 |
| <u>Total Programme Expenditure</u> | 17,375,098 | 18,901,826 | 20,940,790 | 24,861,022 | 28,992,377 | 32,676,572 | 35,215,401 |

(a) During 1964-65 technical staff operating radio studios were transferred from the Postmaster-General's Department to the Australian Broadcasting Commission.

Source: A.B.C.

• Direct Operational Expenses

(i) Salaries

315 As shown in Table No. 20 staff salaries included under the heading Direct Operational Expenses increased from \$3,778,630 in 1961-62 to \$7,138,436 in 1967-68. The increase of \$511,225 in salaries paid in 1965-66 over the previous year included \$180,440 in respect of positions created in 1964-65; \$40,400 in respect of new positions created in 1965-66; while \$70,000 represented increased overtime and penalty payments. The remainder of the increase related mainly to adjustments of salary and allowance rates and to increased furlough payments. The increase of \$1,122,559 in salary payments in 1966-67 included \$57,400 in respect of new positions created in 1965-66; \$55,800 in respect of positions occupied which were vacant in 1965-66; \$42,840 in respect of new positions created in 1966-67; and an amount of \$549,600 paid following a salary determination issued in respect of clerical staff, retrospective to February, 1966.

316 Salary payments to musicians, as shown in Table No. increased from \$1,367,468 in 1961-62 to \$1,985,638 in 1967-68. Increased expenditure of \$72,543 on this item in 1965-66 over the previous year, included \$28,000 to cover an extension from 21 to 24 hours per week for members of Commission orchestras in Brisbane, Adelaide, Perth and Hobart; and \$26,943 in respect of additional musicians and the filling of positions which were vacant in the previous year. Details of salary payments to musicians in 1965-66 and 1966-67 are given in Table No. 21.

Table No. 21
Australian Broadcasting Commission
Salary Payments: Musicians
(1965-66 and 1966-67)

Q.595, 1140
to 1142 and
Committee
File 1968/3

| | 1965-66 | 1966-67 |
|-------------|-----------|-----------|
| Orchestras | 1,465,429 | 1,745,015 |
| Dance Bands | 184,303 | - |
| Chorus | 31,091 | 39,053 |
| Total | 1,680,823 | 1,784,068 |

Source: A.B.C.

317 The net increase of \$103,245 in salaries paid to musicians in 1966-67 over the previous year, included \$132,000 in respect of Arbitrators Determinations Nos. 254/66 and 255/66, retrospective to November, 1966. A further \$37,000 represented the extension from 21 to 24 hours for members of orchestras; \$30,100 for new positions; and \$27,145 in respect of positions occupied which had been vacant in the previous year. An amount of \$184,300 was unexpended in 1966-67 as a result of the termination of the Sydney and Melbourne Dance Bands.

(ii) Expenses

318 Details of direct operational expenses, excluding salaries, for the years 1964-65 to 1966-67 are given in Table No. 22.

Table No. 22
Australian Broadcasting Commission
Direct Operational Expenses*
(1964-65 to 1966-67)

Qs.593,1140
to 1142 and
Committee File
1968/3

| | 1964-65 | 1965-66 | 1966-67 |
|------------|-----------|-----------|------------|
| Radio | 1,262,630 | 1,569,209 | 1,736,851 |
| Television | 4,340,592 | 4,920,618 | 5,473,227 |
| Integrated | 2,321,786 | 2,640,612 | 2,967,327 |
| Total | 7,925,008 | 9,130,439 | 10,177,405 |

* Excludes salaries and P.M.G. Technical Services.

Source: A.B.C.

319 The increase of \$1,205,431 in the item Expenses under the heading of Direct Operational Expenses in 1965/66 over the previous year, consisted of \$306,579 in respect of radio direct expenses, \$580,026 in respect of television direct expenses, and \$318,826 in respect of integrated radio and television expenses. Increased radio direct expenses in 1965/66 included a substantial rise in fees payable to members of the Australian Society of Authors and The Australian Radio Television and Screenwriters Guild. The additional expenditure also included the cost of participation by the Sydney Symphony Orchestra in the Commonwealth Festival of Arts held in Britain and of broadcasting

rights for the coverage of the Davis Cup, MCC Cricket Tour of Australia and the World Heavyweight Title fight. Additional costs were incurred in the re-arrangement of an early morning session. There was also an increase in the annual rate payable to the BBC for the exclusive use of its transcription service. Extension of pre-recording of Radio Australia programmes and the delivery early in 1965-66 of tapes expected in June 1965 accounted for approximately \$43,400 of the increased expenditure. In addition there was an increase in the number of free and school concerts presented in 1965-66.

320 The main increase in television direct expenses in 1965-66 over the previous year was \$384,915 due to higher prices generally for the rights of overseas films and the purchase of screening rights for new regional television stations. Other additional expenditure incurred in this year was in respect of the purchase and re-conditioning of video tapes, and an additional \$184,185 was expended on live studio and outside broadcast programmes.

321 The increase of \$318,826 in integrated programme expenditure in 1965-66 over the previous year, included an amount of \$197,668 expended on new premises occupied by the Commission during that year, at 145 Elizabeth Street and at 147 William Street, Sydney and at Balaclava Road, Elsternwick, Victoria and for accommodation leased from the Northern Territory Administration in Darwin. Other additional expenditure under this item included \$69,581 for printing, stationery, books and periodicals; an additional net \$16,085 in respect of a FAX telephone system, a credit of \$13,000 having been received from the Postmaster-General's Department for a prepayment made on the installation in 1964-65. There was also an increase of \$38,495 in expenditure on fares and travelling allowances in 1965-66.

322 Details of direct radio operational expenditure for 1965-66 and 1966-67 are given in Table No. 23 and details of direct television expenditure in the same years are given in Table No. 24.

Table No. 23

Australian Broadcasting Commission
Direct Radio Operational Expenditure
(1965-66 to 1966-67)

Qs. 595, 1140 to
1142 and
Committee File
1968/3

| Item | 1965-66 | 1966-67 |
|---|------------------|------------------|
| | \$ | \$ |
| Artists' Fees | 1,037,838 | 1,190,043 |
| Music Hire and Purchase | 32,454 | 42,709 |
| Gramophone Records | 40,290 | 47,460 |
| Broadcasting Rights | 66,363 | 61,609 |
| Recording Tapes | 50,564 | 42,896 |
| News Service Agencies, News Tips and Country Correspondents | 25,774 | 29,515 |
| Free Concerts | 24,196 | 25,022 |
| School Concerts | 41,539 | 38,186 |
| Other* | 250,191 | 259,411 |
| Total | 1,569,209 | 1,736,851 |

* Includes items the details of which were submitted in confidence.

Source: A.B.C.

Table No. 24

Australian Broadcasting Commission
Direct Television Operational Expenditure
(1965-66 to 1966-67)

Qs. 595, 1140 to
1142 and
Committee File
1968/3

| Item | 1965-66 | 1966-67 |
|---|------------------|------------------|
| | \$ | \$ |
| Live Studio and Outside Broadcast Programmes | 1,375,373 | 1,508,393 |
| Programmes on Film | 3,261,859 | 3,666,793 |
| ABC Telerecordings | 110,905 | 119,107 |
| Videotape Recordings | 104,039 | 97,617 |
| Other* | 68,442 | 81,317 |
| Total | 4,920,618 | 5,473,227 |

* Includes items the details of which were submitted in confidence.

Source: A.B.C.

323 Details of direct integrated operational expenses for the years 1964-65 to 1966-67 are given in Table No. 25.

Table No. 25
Australian Broadcasting Commission
Direct Integrated Operational Expenditure
(1965-66 to 1966-67)

Qs. 593, 1140 to
1142 and
Committee File
1968/3

| Item | 1964-65 | 1965-66 | 1966-67 |
|--|------------------|------------------|------------------|
| Freight and Cartage | 88,536 | 92,241 | 95,955 |
| Cables, Postage, Telegrams Telephones and Tele- printers | 257,972 | 274,057 | 328,091 |
| Travelling Expenses | 313,726 | 352,221 | 431,715 |
| Purchase Listener Surveys | 14,818 | 16,614 | 18,039 |
| Repairs and Maintenance | 442,700 | 485,814 | 586,744 |
| Printing and Stationery | 200,152 | 265,015 | 225,674 |
| Rent and Rates | 486,986 | 593,878 | 676,697 |
| Light and Power | 128,454 | 150,480 | 145,997 |
| Office Equipment | 88,550 | 87,101 | 34,739 |
| Cleaning Expenses | 118,858 | 143,939 | 167,168 |
| Newspapers, Periodicals, Books etc. | 23,610 | 28,328 | 27,910 |
| Advertising Positions Vacant | 26,360 | 26,552 | 30,712 |
| Workers' Compensation Expenses | 11,058 | 11,989 | 20,033 |
| Security Patrol Expenses | 3,962 | 5,966 | 6,886 |
| Transcriptions and Films saleable | 43,220 | 43,162 | 31,151 |
| Lecture Fees | 8,517 | 11,232 | 9,897 |
| Data Processing | - | - | 4,108 |
| Incidental Expenses | 64,307 | 52,023 | 75,811 |
| Total | 2,321,786 | 2,640,612 | 2,967,327 |

Source: A.B.C.

324 The increase in direct operational integrated expenditure in 1965-66 over the previous year was \$318,826. This amount included accommodation expenses amounting to \$197,668 in respect of premises occupied by the Commission at 145 Elizabeth

Street and 147 William Street, Sydney; Balaclava Road, Elsternwick and in Darwin. The remainder of the increased expenditure for this item in 1965-66 comprised \$69,581 for Printing, Stationery, Books and Periodicals; \$16,085 for Communication Expenses; \$38,495 for Fares and Travelling Allowances; \$3,705 for Freight and Cartage; \$2,715 for Lecture Fees. Incidental expenditure included under this heading was \$12,284 less than in the previous year.

325 Direct integrated operational expenditure of \$2,967,327 in 1966-67, was \$326,715 higher than in the previous year. This amount included \$201,053 in respect of accommodation expenses. Other additional expenditure under this heading was \$79,494 in respect of Fares and Travelling; \$54,034 for Communications; \$4,108 for Automatic Data Processing; \$8,044 for Workers Compensation; and \$31,752 for other items. The main component of other items was incidental expenditure, of \$23,788 in respect of the William Street (Sydney) Canteen. Receipts from the Canteen were credited to Revenue. Prior to 1966-67 the Canteen expenditure and revenue were charged to a suspense account. Expenditure in 1966-67 on Printing and Stationery, Books and Periodicals was \$39,759 less than the previous year and on Transcriptions and Films saleable \$12,011 less than in 1965-66.

326 In view of the significance of integrated expenses as a component of total direct operational expenses we questioned the witnesses as to the feasibility of apportioning integrated expenses between radio and television and the feasibility of allocating programme overhead costs to particular programmes.

327 We were informed that the Commission is able to apportion some overhead costs on an exact basis to particular types of programme and, in some cases to particular programmes. The feasibility of allocating programme overhead costs to particular programme projects had been under consideration by the Commission for some time and the opportunity had been taken during the investigation of the Queensland Branch to seek the views of the investigating management consultant on the matter. The management consultant had recommended that costs such as the salaries of programme officers, producers, floor managers and script assistants should be

Qs. 585 and 1136

treated as programme overheads as it was not possible to relate them specifically to particular productions. The management consultant had also recommended that Salaries and operational costs of a studio in which a production takes place, outside broadcast vans, staging, design, art, graphics, wardrobes, makeup and film sections should be charged to individual productions on the basis of hourly rates. At the time of our inquiry a method of effecting these recommendations was being evolved by the Commission. We were assured that when these details were available, the Commission would ensure that an examination is made by producers of the comparative costs of the methods available for programme production.

328 We were informed that the dissection made by the Commission prior to 1960-61 in the Statement of Receipts and Payments between operating expenses of sound broadcasting and television had been valid to the extent that the amount shown under the heading "Television" had represented the additional cost incurred in respect of the television service. In the case of specialised departments such as music and youth education, an arbitrary allocation had been made of the salaries of the directors between radio and television. As the Commission's services expanded, however, the dissection had become more complex and it had been decided to combine salaries under the general heading of integrated expenses. At the same time an arbitrary dissection of some expenses between radio and television continues to be made for the purposes of the Commission. Qs. 517 & 518

329 The witnesses emphasised that under current arrangements it is difficult to make an accurate dissection between expenditure on radio and expenditure on television due to the location of staff in three areas viz - those engaged exclusively on radio, those engaged exclusively on television and those engaged on both radio and television. In addition, much of the material used is produced for radio only, some is produced for television only and there are common services available to both radio and television. The General Manager of the Commission claimed that, currently, the cost of obtaining accurate expenditure Qs. 515 & 1436

dissections between radio and television would be excessive and the results achieved would not assist in the overall management of the Commission. He conceded, however, that should it prove possible, with the aid of computer facilities and other technology, to provide a dissection of radio and television expenditure without great cost, such a dissection should be made.

(iii) P.M.G. Technical services.

330 Details of expenditure on P.M.G. Technical services in the years 1964-65 to 1966-67 are given in Table No. 26.

Table No. 26
Australian Broadcasting Commission
P.M.G. Technical Services
(1964-65 to 1966-67)

Qs. 593, 1140
to 1142 and
Committee File
1968/3

| Item | 1964-65 | 1965-66 | 1966-67 |
|--|----------------|------------------|------------------|
| | \$ | \$ | \$ |
| <u>Radio</u> | | | |
| <u>Landline Services -</u> | | | |
| Annual rental of trunkline broadcasting channels | 790,834 | 853,335 | 890,695 |
| <u>Other Services -</u> | | | |
| Rental of local broadcasting lines | 46,548 | 43,065 | 44,279 |
| Pickup charges - local transmissions | 82,004 | - | - |
| Overseas Transmissions | 28,850 | 45,326 | 54,886 |
| Recordings - local transcriptions | 62,572 | - | - |
| | <u>219,974</u> | <u>88,391</u> | <u>99,165</u> |
| Total Radio | 1,010,808 | 941,726 | 989,860 |
| <u>Television</u> | | | |
| Relay Facilities | 559,322 | 1,471,085 | 2,086,884 |
| Rental of local broadcast lines and pickup charges | 28,650 | 33,301 | 31,252 |
| Total Television | <u>587,972</u> | <u>1,504,386</u> | <u>2,118,136</u> |
| Total Radio and Television | 1,598,780 | 2,446,112 | 3,107,996 |

Source: A.B.C.

331 The decline of \$69,082 in expenditure on P.M.G. radio technical services by the Commission in 1965-66 compared with the previous year, followed the transfer of these services from the Postmaster-General's Department to the Commission. It was said that there was a saving of \$144,576 in the cost of "pick up charges and local transmissions and recordings-local transcriptions" in the metropolitan areas. This saving was offset partly by increased expenditure on landlines and the cost of pick up charges for overseas transmissions. In the case of landlines there was an increase in the annual rental charged by the Postmaster-General's Department operative from 1 October, 1964. The balance of cost for a full year was approximately \$51,300. In addition the sum of \$11,000 covered rental of the lines for the new regional radio stations at Emerald, Eidsvold and St. George in Queensland and Esperance in Western Australia which were opened during the year. The increase of approximately \$16,000 in the charges for overseas pickups etc., was mainly in respect of the opening of the COMFAC cable and broadcasts of the West Indies Cricket Tour.

332 In the financial year, 1966-67 expenditure on P.M.G. radio technical services increased by \$48,134 over that of the previous year to \$989,860. This additional expenditure represented the cost, for nine months, of the third radio channel between Sydney, Melbourne and Adelaide; the balance of the cost of one year's rental of the new regional stations opened at Emerald, Eidsvold and St. George in Queensland and Esperance in Western Australia, and the cost for six months of the extension of the Sydney/Camberra landline to Cooma, New South Wales for a new regional station opened in January, 1967.

333 Increased expenditure of \$916,414 on P.M.G. television technical services in 1965-66 compared with the previous year consisted of \$911,763 in respect of the rental of permanent channels and \$4,651 in respect of the rental of casual channels. The additional expenditure on permanent channels represented the balance of the cost in 1965-66 of channels to regional centres opened in the previous year as well as the cost in 1965-66 of regional centres opened in that year. The increase in expenditure of \$4,651 for the rental

of casual channels was due to the operation of a second outside broadcast van in N.S.W., Victoria and Queensland country areas and the balance of costs for a full year of the increased charges, operative since October, 1964.

334 Expenditure on television technical charges in 1966-67 was \$613,750 higher than in the previous year. This additional expenditure comprised mainly the balance of the cost of rental of permanent links to regional television stations opened during 1965-66, and portion of the cost in the 1966-67 financial year of those channels opened after 1 July, 1967. Offsetting the increased charges was a decline in expenditure for two Victorian channels for which three half yearly accounts had been paid in 1965-66 and only one in 1966-67.

Other Activities Expenditure

335 Details of Commission expenditure under the heading 'other Activities' for the years 1961-62 to 1967-68 are given in Table No. 27.

Australian Broadcasting Commission

Other Activities Expenditure

(1961-62 to 1967-68)

| Item | 1961-62 | 1962-63 | 1963-64 | 1964-54 | 1965-66 | 1966-67 | 1967-68 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Concerts | 790,044 | 918,734 | 756,682 | 725,026 | 977,609 | 927,421 | 899,915 |
| Overseas Service - Radio Australia | - | - | 660,658 | 748,022 | 774,499 | 940,467 | 1,025,815 |
| Publications, Advertising and Public Relations | 1,381,090 | 1,561,522 | 1,778,524 | 1,743,992 | 1,924,745 | 2,104,381 | 2,103,603 |
| Total | 2,171,134 | 2,480,256 | 3,195,894 | 3,217,040 | 3,676,853 | 3,972,269 | 4,029,333 |

* Prior to 1963-64 Radio Australia expenditure was included under other headings.

Source: A.B.C.

336 Expenditure under the heading of 'other activities' in respect of concerts, overseas Service-Radio Australia, Publications, Advertising and Public Relations includes all payments for salaries and expenses made in connection with these activities. It was stated that although a dissection of expenditure between salaries and expenses in respect of these activities is not shown in the annual statement of Receipts and Payments, full details of these are made available to the Treasury in the Commission's statement on the Estimates for the following year.

OS, 595,
1148 to
1151 and
Committee
File
1968/3

337 We were informed that when the revised form of the annual statement of Receipts and Payments was under discussion with officers of the Treasury and the Audit Office in 1961, it was agreed that as Concert and Publication activities of the Commission were in competition with other organisations engaged in similar activities, the Statement should only disclose the total payments for each.

Qs.1148 to 1151 and Committee File 1968/3

338 During further discussions held early in 1964 it was decided to segregate expenditure relating to the Overseas Service Radio Australia from that for the Home Service as the Overseas Service is a function performed by the Commission on behalf of the government and has no direct relationship to revenue received by the Government from license fees. It was also agreed that a total figure only would be shown for this item.

339 The item Publications, Advertising, and Public Relations covers expenditure on Commission publications and programme advertising as well as expenditure incurred by the Commission Publicity Department. A dissection of the item is made available each year to the Department of the Treasury.

Q.534

Imprest Advance for Overseas and Other Purposes

340 The item Imprest Advance for Overseas and other purposes, for which payment of \$70,000 was made in 1959-60 was said to be related to items which could be regarded as recoverable trust expenditure. The 'other purposes' in this item relate to advances made to staff for travelling and for other purposes not chargeable to the vote. The value of the imprest advance was increased by \$20,000 in 1965-66 and by a further \$20,000 in 1966-67.

Q.567

Capital Expenditure

341 Section 73(i) of the Broadcasting and Television Act 1942-1967 provides -

Q.1161 & Committee File.

"73.-(1.) The Postmaster-General shall, except in so far as he otherwise determines, provide and operate, for the purposes of the broadcasting programmes of the Commission -

- (a) transmitting stations;
- (b) technical equipment to connect a studio of the Commission to the local transmitting station;
- (c) technical equipment at the studios of the Commission;
- (d)

342 Section 73(2.) provides that, except in so far as the Postmaster-General otherwise determines, the stations and technical equipment referred to in (a), (b) and (c) above shall be provided and operated without charge to the Commission.

Q. 1161
and
Committee
File 1968/3

343 Section 74 of the Broadcasting and Television Act deals with the provision of transmitting stations for television programmes. Under this section the Commission is responsible for the provision of all studio equipment (both technical and non-technical) for the national television stations whilst the Postmaster-General's Department, as for broadcasting, is responsible for the transmitting equipment.

344 In addition to the capital expenditure undertaken by the Commission and referred to earlier in Table No. , capital expenditure is also undertaken on behalf of the Commission by other Commonwealth Departments. A summary of the Capital expenditure undertaken by and on behalf of the Commission for the years 1961-62 to 1967-68 is shown in Table No. 28.

Table No. 28

Australian Broadcasting Commission
Statement of Capital Expenditure
(1961-62 to 1967-68)

Exhibit 110/4
and
Committee File
1968/3

| Item | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| <u>By Commission</u> | | | | | | | |
| Engineering Equipment | 761,714 | 451,532 | 1,263,816 | 1,219,737 | 1,180,313 | 1,095,580 | 1,147,239 |
| Production facilities | 110,168 | 148,926 | 171,062 | 165,245 | 135,258 | 231,193 | 203,798 |
| and Film Equipment | | | | | | | |
| Office Furniture, musical | | | | | | | |
| Instrumentals, misc- | | | | | | | |
| Structural altera- | 132,047 | 158,990 | 129,963 | 165,424 | 213,951 | 123,337 | 149,097 |
| tions, etc. | | | | | | | |
| Total | 1,003,929 | 759,448 | 1,564,841 | 1,550,406 | 1,529,522 | 1,450,110 | 1,500,134 |
| <u>By Other Departments</u> | | | | | | | |
| Department of Works | 463,074 | 556,614 | 1,075,868 | 355,768 | 490,297 | 803,602 | 910,194 |
| Department of the | | | | | | | |
| Interior | - | - | 84,868 | 10,000 | 43,546 | 34,963 | 31,412 |
| Department of Territ- | 24,900 | 24,370 | 50,900 | 21,400 | 29,300 | - | - |
| ories | 487,974 | 560,984 | 1,211,636 | 387,168 | 563,543 | 838,565 | 941,606 |
| Total | 1,491,903 | 1,340,432 | 2,776,477 | 1,957,574 | 2,093,065 | 2,288,675 | 2,441,740 |
| <u>Total Capital Expend-</u> | | | | | | | |
| <u>iture</u> | | | | | | | |

Source: A.B.C.

Capital Expenditure by the Commission.

345 Capital expenditure on engineering equipment increased from \$240,046 in 1960-61 to \$761,714 in 1961-62. We were informed that television programmes were originally maintained in a permanent form and for distribution, on film by a process known as telerecording. About 1961-62, however, a technique known as V.T.R. (videotape recording and replay) was introduced which revolutionised television presentation and production. Expenditure on engineering equipment and production facilities in the years subsequent to 1960-61 relates mainly to the introduction of videotape machinery and to the extension of television services.

Q.605

346 It was stated that the method of financing Commission expenditure on plant and equipment had an important influence on the levels of Commission expenditure on this item in the years prior to 1961-62. Before television was introduced in 1956 only minor items of equipment for radio broadcasting were purchased by the Commission and these were charged to operational expenses. At that time the Postmaster-General's Department was responsible for the maintenance of radio studios and expenditure on equipment used for that purpose.

Q.605
and Comm-
ittee File

347 We were informed by the Department of the Treasury that, following the introduction of television, funds for broadcasting and television studio equipment for the financial year 1957-58 were made available under Capital Works for Broadcasting and Television Services under Division No. 56, under the control of the Postmaster-General's Department. That Department made available to the Commission a portion of these funds to arrange the purchase of miscellaneous television equipment. Minor items of radio broadcasting equipment purchased at that time were charged against the Commission's single line vote in the Appropriation Act (No. 1).

Committee
File 1968/3

348 During the following financial year, 1958-59, and in accordance with instructions issued by the Department of the Treasury, all equipment purchased for both radio and television, other than major items for the Television Engineering Division, was financed by the Commission from operational funds. This procedure,

Qs.605,
1161 and
Committee
File
1968/3

however, was varied by the Department of the Treasury with effect from 1 July 1959. In 1959-60 the Commission purchased all television studio equipment and for this purpose funds were appropriated for the Commission in a new vote - Division No. 964, Capital Works and Services. Minor items of broadcasting equipment continued to be charged to the Commission's operational vote.

349 The Treasury Observer, Mr. Lynch, informed us that the Auditor-General drew attention to the fact that prior to 1961, all of the moneys voted for the Commission were under a single line appropriation in the services vote and many items of a capital nature were being purchased from the services appropriation. It was agreed subsequently that a clear differentiation should be made between ordinary services and items of a capital nature. In 1961 the Department of the Treasury agreed that, with the exception of minor expenditure, all items of a capital nature should be charged to a capital works vote. Accordingly, a separate appropriation was introduced for the Commission's capital expenditure. For this purpose, capital items were defined as all fixed assets, equipment, vehicles and furniture and fittings having a working life exceeding twelve months and valued at more than \$100 but excluding consumable stores.

Q.1161
and
Committee
File 1968/3

Capital Expenditure by the Department of Works

(A.B.C. Television Studios)

350 In view of the evidence tendered in connection with the relationship between the Department of Works and the Australian Broadcasting Commission we specifically sought from the Department of Works, details of the expenditure results of capital works and services in respect of the Commission's television studios for the financial years 1965-66 to 1967-68. Details of funds made available and the expenditure results for those years are shown in Table No. 29.

Table No. 29
Capital Works and Services
Buildings and Works - Television Studios
(1965-66 to 1967-68)

Exhibit
110/12

| Available Funds | 1965-66 | 1966-67 | 1967-68 |
|------------------------|---------|---------|---------|
| Appropriation Act No.2 | 462,000 | 685,000 | 954,000 |
| Appropriation Act No.4 | - | 35,000 | - |
| Total Funds Available | 462,000 | 720,000 | 954,000 |
| Less Expenditure | 335,504 | 694,773 | 829,236 |
| Unexpended Funds | 126,496 | 25,227 | 124,764 |

Source: Department of Works

351 We were informed that in May-June each year, when the programme is being formulated, the Department of Works has regard to the design progress already made with projects, the further time required for completion of design, the likely date on which it can invite tenders and the likely date of commencement of construction by contractors. An assessment is also made of the actual expenditure that would be involved during the year to meet payments to contractors for physical progress on sites. Q.1363

Expenditure Results 1965-66

352 In this year, \$462,000 was obtained in Appropriation Act No.2 and there was a shortfall of \$126,496 in expenditure. The shortfall was mainly in respect of the following locations:-

| | |
|-------------|----------|
| Rosehill | \$82,000 |
| Ripponlea | \$20,000 |
| Gore Hill | \$ 2,206 |
| Rockhampton | \$10,300 |
| Hobart | \$ 4,300 |

The circumstances relating to these results are given below.

. Rosehill, Western Australia.

(i) Erection of garage and office extensions

353 The Department of Works informed us that in November, 1965 the Australian Broadcasting Commission requested the erection of an additional floor to the building. It was necessary to negotiate a price with the contractor for this work and to seek approval for the additional expenditure. Work on the project was suspended during these negotiations as the contractor was unable to proceed beyond a particular stage. Consequently expenditure was \$41,000 less than had been anticipated.

354 The witness representing the Commission informed us that the original plan had been developed early in 1964. On 8 July 1964 the Department of Works recommended that a future second floor should be provided. Tenders were invited on 16 January 1965. On 30 March 1965 the Department of Works advised that owing to a general increase in building costs and some under-estimating of the architectural and electrical components the Commission would need to seek a further \$18,532 from the Department of the Treasury. The witness informed us that the work had been delayed by a number of factors. From early 1964 until November 1965 the Commission's accommodation requirements

Exhibit
110/10
and Q.1364

Q.1365

had increased. Therefore, as the project had already been delayed, the Commission felt that it would be appropriate to inquire whether it would be feasible, in view of its requirements which had become urgent, to erect a second floor. The Department of Works had agreed that it was able to document this addition and accordingly the Commission sought the necessary Treasury Approval.

355 The Department of Works witness informed us that price negotiations with the Contractor for the addition of the second floor began on 18 January 1966 and the contractor submitted a price of \$75,292 on 3 March, 1966. The Commission sought the necessary additional authorisation from the Department of the Treasury on 18 March, 1966 and approval was given on 4 April, 1966. Work was resumed immediately after 12 April, 1966 when the Department of Works advised the contractor that the contract would be varied to incorporate the additional floor.

Qs.1370 to
1374

(ii) Continuity Suite Extensions

356 The Department of Works informed us that tenders for the continuity suites were invited in January, 1966 but on 10 February, 1966, before tenders had closed, the Commission advised the Department of considerable amendments to its requirements. Subsequently amendments were made to the design and tenders were again called in June, 1966.

Exhibit
110/10
and Q.1375

357 The Commission witness stated that basically the Commission approach to the planning and construction of continuity suites for the purpose of taking programmes to country areas and monitoring them effectively, provided for each continuity suite to be in two parts, one a booth containing technical, monitoring and switching equipment and the other a small television studio originating the programme for both metropolitan and country areas. The use of videotape for pre-recording material led the Commission to re-examine its requirements and it was decided that needs could be met more economically by having

Q.1376

only one studio which would serve up to four continuity suites. When this change in requirements was made the Commission was aware that tenders for the Perth project were about to be called but it was decided that, notwithstanding this, it should endeavour to economise by changing its requirements.

(iii) Additions to Air-conditioning Plant.

358 The Department of Works informed us that tenders for this project had been invited in August, 1965. The lowest tender received had been \$91,090 compared with a programme provision of \$59,000. This necessitated the Department referring the matter to the Commission and to the Department of the Treasury for the authorisation of additional funds. As a result, a tender was not accepted until December, 1965. It was explained that the figure of \$59,000 had been estimated by the Western Australian regional office of the Department of Works on 23 November 1964, some time in advance of the inclusion of the project in the programme. When tenders were re-invited the estimate had been revised to \$76,000 but the lowest tender was again \$91,090. It was said that, at the time, the market was not favourable for the type of work involved. In addition, the project required a great deal of co-ordination between the contractor and the Commission and it appeared that the contractor had allowed for all possible difficulties and contingencies likely to be encountered.

Exhibit
110/10
and Qs. 1378
and 1379

. Ripponlea, Victoria

359 We were informed that an item relating to continuity suites was deleted from the works programme on 4 January 1966 to provide for the additional authorisation required for the extra work involved in the additional floor at the Rosehill Studios.

Exhibit
110/10

. Gore Hill, New South Wales

(i) Reconstruction of Theatrette

360 It was stated that this Item was deleted from the works programme on 3 December 1965 at the request of the Commission. It had been found that the Commission was unable to afford, for operational reasons, to take the theatrette out of service at the time.

Exhibit
110/10 &
Qs. 1380 and
1381

(ii) Extensions to Scenery Workshops

361 In this case a tender of \$21,794 had been received and accepted compared with an estimate of \$24,000 made by the Department of Works.

Exhibit
110/10

. Rockhampton, Queensland

362 The Department of Works informed us that this project involving extensions to a studio building was included in the works programme and tenders were to be invited in November 1965. In October 1965 advice was received from the Commission that the Item was to be deleted from the programme. Further advice was received from the Commission on 2 December 1965 that following further consideration, the work was to proceed. The witness representing the Commission explained that the item was removed from the programme following the construction of Leacom as this had removed the necessity for independent operation at Rockhampton and Townsville. As there were no relay facilities it was later decided to maintain a degree of local output at Rockhampton and Townsville, thus requiring the extensions to be made to the buildings at Rockhampton. The Department of Works stated that design action on this project was re-commenced and a tender was not accepted until June, 1966.

Exhibit
110/10 and
Q.1382

. Hobart, Tasmania

363 The Department of Works informed us that this project

involved the erection of a canteen on the roof of the studio building, to be carried out without disruption to studio activities. It had been expected that much of the structural steel fabrication and other off-site preliminary work involved would be carried out in 1965-66. Although a contract was let in March 1966, the contractor's progress was \$4,300 less than had been anticipated.

Exhibit
110/10
and
Q.1383

Expenditure Results 1966-67

364 In this year \$685,000 was obtained in Appropriation Act No.2, \$35,000 was obtained in Appropriation Act No.4 and there was a shortfall in expenditure of \$25,227 at the close of the financial year.

365 We were informed that the additional appropriation of \$35,000 had been obtained to cover anticipated increased expenditure on the continuity suites at the Rosehill Studios. A tender relating to this project had been accepted on 12 August 1966 and construction proceeded more rapidly than had been expected. The shortfall in expenditure was mainly in respect of two major projects at Gore Hill. One of these related to air-conditioning and the other to modifications to the air handling plant.

Exhibit
110/11
and Q.1392

. Air-conditioning

366 The Department of Works informed us that a contract was let on 18 November 1966 for the building component of the air-conditioning project, the total estimated cost of which was \$240,000. A further contract for the air-conditioning component itself was let on 16 January 1967.

Exhibit
110/11
and Q.1393

367 The project was delayed for ten weeks when the Builder encountered foundation difficulties. A large underground storm

water drain was found to be closer to a proposed new retaining wall than was known when the documents for the project were prepared. This necessitated partial redesign of the retaining wall. Also the exact soil conditions in the proposed location for the footings for the new building work could not be determined until a buried fuel oil tank, the depth, size and accurate position of which was not known, was removed. It was also stated that the working drawings included in the contract documents for this project contained typical detailed column footings and these required modification after soil tests were made following the removal of the tank. The Department of Works witness informed us that in many cases the records of water authorities and local authorities are inadequate, particularly where very old sites are being redeveloped, to guide the Department regarding the exact locations of pipes and other underground equipment. In the case of the site concerned, the area had originally been a brick pit and there were variable foundation conditions, the extent of which could not be determined fully until the footings had been excavated.

Exhibit
110/11
and Qs. 1394
to 1399

368 A further delay of five weeks occurred because of difficulties in obtaining bricks to match the brick work of the existing building. These delays affected the work of the airconditioning contractor, who had anticipated installing the equipment and receiving payment in 1966-67. The equipment could not be installed in that year and payment was not made.

Exhibit
110/11

. Modification to Air-handling Plant

369 We were informed that tenders were invited in October 1966 for this project. Following an increase in the programme provision from \$17,000 to \$20,182 a contract was let on 6 February 1967.

370 Although it was appreciated that work would need to proceed outside normal working hours in offices and studios, the contractor, on many occasions, was unable to obtain access to these areas as they were often in use outside the anticipated normal working hours. Consequently the contractor's progress was much slower than expected and no payments were made in 1966-67. On this matter the Commission witness informed us that every effort was made to co-operate with the contractor, consistent with the Commission's obligation to maintain its programmes and protect delicate telecine equipment from dust while the work was in progress. Exhibit 110/11 and Q. 1400

Expenditure Results 1967-68

371 In this year \$954,000 was obtained in Appropriation Act No.2 and there was a shortfall in expenditure of \$124,764. Exhibit 110/2

372 The shortfall in expenditure occurred mainly in respect of the following projects:

| | |
|-------------|----------|
| Collinswood | \$46,000 |
| Toowong | \$91,000 |
| Minor Works | \$19,000 |

The shortfall was offset to the extent of \$31,236 because of better progress than had been expected on the television project at Gore Hill.

• Collinswood, South Australia

373 The Department of Works advised us that provision of \$193,000 was made for the construction of News, Film and Production Centre facilities at Collinswood and the invitation of tenders was planned for November 1967. However, due to many changes and unknown factors in the Commission's requirements, documentation proved extremely difficult. Exhibit 110/11

with the result that tenders could not be invited until 31 January, 1968. In addition the contractor's progress was hampered by abnormally wet weather during early winter.

374 The Department of Works witness informed us that in July 1967 the Department sought details of the Commission's electrical requirements. The Commission supplied the Department with details of partition layout and electrical power layout on 30 August 1967. As a result the Department found it necessary to advise the Commission that some alterations to room widths would be necessary to maintain the elevational treatment. On 19 September 1967 the Department received the Commission's agreement to the altered room widths and to the preparation of tender documents. On 20 September 1967, however, the Commission requested an amendment to the brief in respect of the thickness of the walls in the film editing room and on acoustic treatment to duct work. The Commission witness informed us that there had been some need for the changes but he admitted that the Commission must accept much of the responsibility for the delay that occurred in the construction of the building, through failure on its part to co-ordinate properly its requirements and through delays in getting its requirements properly clarified by the sections of its administration involved in the project. He indicated that poor planning co-ordination is a matter which the Commission proposes to rectify in the future. He added, however, that in regard to the thickness of the walls and acoustic requirements, the Commission had made suggestions to the Department at an earlier stage of planning but these had not been taken into account by the Department.

Toowong, Queensland.

375 The Department of Works advised that provision had been made for television works at Toowong comprising \$7,000 for extensions to the studio block and \$311,000 for a continuity suite.

Exhibit
110/12
and
Qs. 1402 to
1407

Exhibit
110/12

(i) Extensions to the Studio Block

376 This project was planned for the invitation of tenders in September 1967. However, we were informed that due to a delay on the part of the Department of Works in the engagement of a consultant to carry out the design work, tenders were not invited until October 1967. Subsequently the contractor experienced difficulty with excavation work due to wet weather and did not make the progress expected in 1967-68.

Exhibit
110/12
and
Qs. 1409 to
1411

(ii) Continuity Suites

377 The invitation of tenders for this project was planned for October 1967. However, the Department of Works claimed that the receipt of the electrical and mechanical design requirements from the Commission was delayed until July 1967 and subsequent variations were made. As a result the contract could not be arranged until May 1968. The Commission witness informed us that it is general practice for emergency power supplies to be provided to ensure continuity of service in television complexes. On occasions a decision as to whether or not such power supplies should be provided proves difficult to reach because the double set of wiring and alternative switching that is required can prove expensive and in some cases could be considered as unjustified. In the present case the cost of emergency power and alternative wiring and switching amounted to some \$90,000. The witness, added, however, that the significance of this item might not have been understood fully by the Queensland office of the Department of Works and consequently its proper consideration was delayed until rather late in the planning of the project.

Exhibit
110/12 and
Qs. 1412 and
1413

Minor Works

378 The Department of Works informed us that a provision of \$40,000 had been included in the Appropriation for minor works i.e. works up to

\$4,000 each, which are requisitioned by sponsors as requirements arise. However, requisitions to the value of only \$21,000 were lodged by the Commission during 1967-68. We were informed by the Commission's witness that the figure of \$40,000 had been formulated by the Commission and agreed to by the Department of Works and the Department of the Treasury.

Exhibit
110/12
and Qs. 1414
and 1415.

Chapter 6

Summary Conclusions and Findings

Summary and Conclusion:

379 Your Committee's inquiry under Section 8 of the Public Accounts Committee Act 1951-1966 into the Australian Broadcasting Commission stemmed from remarks made by the Commission in its Thirty-fifth Annual Report for the financial year 1966-67. In that Report the Commission drew the attention of the Parliament to some of the difficulties under which it was working, particularly those relating to its accommodation which, it claimed, impeded effective supervision and control of its staff. At the same time, however, Your Committee took the opportunity to examine the operations of the Commission in the wider context of its total administration.

380 The evidence shows that while Commonwealth control of Wireless Telegraphy in Australia was established in 1905 it was not until 1932, when the Australian Broadcasting Commission Act came into operation, that the Commission was formed. Although technical services were to be provided by the Postmaster-General's Department, the provision of studios and all other buildings was to be the responsibility of the Commission and the national broadcasting service was to be financed by a share of the radio license fee which at that time amounted to "2.40 per radio set.

381 In 1936, following a survey of its administrative arrangements, the Commission established specialist departments in the areas of Programmes, Music and Drama with Commonwealth wide responsibilities. In 1936 subscription concerts were inaugurated and in 1937 the News function became a Federal department in its own right. By 1938 the Commission had established a network of two national stations in each State Capital, an event which resulted in the introduction of the dual network relay system of interstate or light and national or serious programmes planned on a federal basis. In 1939 the Commission commenced the publication of the "A.B.C. Weekly" to provide listeners with full details of broadcast programmes. In the following year, 1940, the Australian Broadcasting Commission Act was amended and the Commission's share of licence fees was reduced from \$1.20 to \$1.00 per licence. This reduction was said to have had severe repercussions on the finances of the Commission.

382 The activities of the Commission received a new impetus during World War II. The Commission's staff increased from about 500 in 1939 to more than 1,100 in June 1946, while the twelve original radio stations had increased to twenty four and the operating time of stations had increased by more than 124,000 hours. During the war years, 20 per cent of programme time was allotted to the war effort and war correspondents were appointed to the war zones. In addition, a Commonwealth-wide news bulletin was provided three times daily through National and Commercial radio stations, made available on relay lines provided by the Postmaster-General's Department. A further war-time development which has continued into the post-war period, was the establishment of Radio Australia in 1939. During the war, Radio Australia transmitted home news to Australian servicemen overseas and maintained contact with the peoples of countries under Japanese occupation.

383 In 1942 a new Australian Broadcasting Act came into operation. This Act provided for both National and Commercial stations; it provided for State Advisory Committees to be appointed to advise the Postmaster-General; it obliged all stations to broadcast a minimum 2½ per cent of Australian music and it created a Parliamentary Standing Committee to investigate matters referred to it by Parliament or by the Postmaster-General. The Act also restored the \$0.10 per license fee to Commission revenue.

384 From 1942 until 1947 the Parliamentary Standing Committee conducted investigations and reported on a wide range of matters. Following a statement in March 1946 by the Chairman of the Commission that to effectively carry out its Charter, the Commission's share of license revenue should be increased to \$1.50 for each full fee broadcast listener's license, the Government appointed a Committee in July 1947 to examine the financial and administrative structure of the Commission. In March 1948 that Committee reported that while some savings could be effected in the Commission's organisation, it was clear that the Commission could not meet its financial obligations under the Act and that its activities must be curtailed substantially or its revenue increased. Subsequently, a Cabinet Sub-Committee recommended that the Commission should in future submit estimates to the Parliament and that appropriations should be made on the basis of these estimates in lieu of revenue received

from license fees. These recommendations were later incorporated in a new Broadcasting Act in 1948.

385 In June 1949, following a report by the Broadcasting Control Board, the Government decided to introduce a National television service and in October 1950 a Committee was appointed to make recommendations in relation to the proposed service. The Broadcasting and Television Act 1956 authorised the Commission to provide technical services in television studios and control rooms. National television in Sydney and Melbourne was launched from temporary studios in November 1956. By June 1967 the Commission was able to report that its television programmes in 1966-67 had achieved approximately a 68 per cent Australian content. A publication featuring television programmes introduced as "T.V. News" in 1958 and now titled "T.V. Times", had, in December, 1966 the third largest sales of weekly magazines in Australia.

386 An amendment to the Broadcasting and Television Act in May 1967 increased the number of Commissioners from seven to nine. In his Second Reading Speech on the Bill on 4 May 1967 the Postmaster-General, Mr. Hulme, referred to the expansion that had occurred in the Commission's services, not only in the broadcasting field but also in the field of television - a new service which had grown to an almost nation-wide coverage of population in the space of ten years.

Organisation and Functions

387 The structure of the Commission comprises a Central Office located in Sydney, and Branch offices located in each of the remaining State Capital Cities. There are also offices located in Canberra, Darwin, Port Moresby and 27 regional offices throughout all States. Overseas offices of the Commission are located in London, New York, Washington, Tokyo, New Delhi, Singapore, Djakarta and Kuala Lumpur.

388 The Commission's administration is divided into the following four divisions:

- Management Services
- Programmes
- News
- Technical services.

In addition, there are the following seven specialist departments:

Press and Public Information
Programme Sales and Procurement
Federal Concert
Secretariat
Organisation and methods
Publications
Radio Australia.

389 During our examination of the Management Services Division we were informed that the Controller of the Division is assisted by a Controller of Finance; a Director of Personnel; a Supervisor, Building and Planning; and Superintendent, Office Services; a Senior Legal Officer and a Senior Internal Auditor.

390 We noted the various designations of these officers and were informed that the differences are somewhat historical in that they have not been changed during re-organisations of the Commission establishment. In terms of salary the Controller of Finance is senior to the Director of Personnel, the Supervisor of Buildings Planning and the Superintendent of Office Services. At the time of our inquiry the Commission was reviewing designations. Your Committee believes that such a review should be completed as quickly as possible and appropriate designations introduced in all of the Divisions and specialist departments.

391 At the time of our inquiry, the Programme Division of the Commission comprised five departments - Radio and Television Programmes; Radio Programmes; Television Programmes; Programme Services and a Publicity Department. This structure was established in 1965 to ensure that unnecessary duplication or overlapping of functions did not occur within the Division. Further surveys have been conducted since 1965 however, and at the time of our inquiry a major examination was being made of the Programme Division in all States. In view of the importance of this Division to the operations of the Commission Your Committee considers that its efficient and economic organisation should be reviewed on a regular basis and that the completion of the major examination of the Division in the Commission's State offices should be treated as a matter of urgency.

392 With regard to the content of programmes, witnesses emphasised the acceptance by the Commission of the need to deal fairly with all controversial and moral issues in so far as these affect the community. Your Committee recognises the claim made that the achievement of balance of viewpoints within a particular programme is often difficult and in some cases, impossible. However, Your Committee would have preferred a more positive assurance that an appropriate balance of viewpoints as between programmes is achievable, rather than the claim made in evidence that, over a period of time, a balance of viewpoints emerges.

393 The evidence showed that the Press and Public Information Department is responsible, inter alia, for the publication of the Commission's Annual Reports to the Parliament. It was noted that these reports do not contain details of the staff establishment of the Commission although these details were supplied to us in public evidence. Witnesses representing the Commission were unable to explain why such information should not be included in the Commission's annual reports. In its Eighty-third Report which related to the National Capital Development Commission, Your Committee expressed the view that in cases where statutory authorities incur the expenditure of public funds, but do not have available to them the normal commercial measurements of profitability as guides to management, an analysis of staff establishments, including the nature of changes made from year to year should be included in annual reports to the Parliament. Your Committee considers that the Commission should publish personnel statistics by State in each of its annual reports on a basis similar to that provided by the National Capital Development Commission in its Report to the Parliament for the year 1966-67.

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66

394 During our inquiry we examined in detail the nature and operations of the Secretariat Department of the Commission. That Department is required to provide high level administrative assistance to the Senior Management Group, including the processing of correspondence directed to management; the provision of advice to the General Manager and the Senior Management Group and generally to deal with any matters referred to it by that group.

It is also responsible for the servicing of the Commission by the provision of information for Commission meetings and the conduct of research. Notwithstanding the apparent value of this Department to the top management of the Commission and the inclusion of the important research function within its duties, we noted that tertiary qualifications are not specified as a requisite for appointment to any position in the Department, although tertiary education was stated to be preferable in the case of the position of the Head of the Secretariat. Your Committee believes that, in view of the functions of the Secretariat Department, particularly in its advisory and research roles, the Commission should examine critically the qualification requirements of the positions on the establishment of that Department with a view to strengthening its capacity.

395 The evidence indicates that an Organisation and Methods Department has been in operation within the Commission since 1952. In 1967, the Commission appointed a firm of management consultants to examine the matter of possible increased efficiency and reduction of costs by a greater integration of staffing and operations in its Queensland Branch Office. The financial statements of the Branch Office were also investigated by the management consultant. New procedures were subsequently introduced which were said to have resulted in a reduction by 40 to 50 per cent in documentation procedures. In view of this result, Your Committee believes that the Commission could, with advantage, examine the adequacy of the duties performed by its own Organisation and Methods Department. Your Committee also believes that the results of the survey conducted in Queensland should be applied without delay to the Branch offices of the Commission in the other States with a view to achieving further economies in administration.

396 For some time the Commission has been preparing to transfer its accounting procedures and associated records, particularly in its Head Office and New South Wales Branch Office, to a computer and has been renting time on commercial equipment for this purpose. At the time of our inquiry a decision had not been taken in respect to the purchase of a computer. In 1961 the interdepartmental Committee on Automatic Data Processing requested all permanent heads of Commonwealth departments to bring under the notice of the

various organisations and commissions with which they were associated, the fact that the Committee had been established. However, apparently due to an oversight, the Commission was not advised by the Director-General of Posts and Telegraphs of the services available through the interdepartmental committee and consequently it had not been directly in consultation with the Committee. Subsequently, the Commission discussed its automatic data processing activities with the Management Services Division of the Public Service Board and was advised that although statutory authorities would not of necessity be required to consult the interdepartmental committee, the Commission had nevertheless followed the spirit of co-operation with that committee by maintaining a close liaison with the Public Service Board. Your Committee believes that the oversight on the part of the Postmaster-General's Department should not have occurred and, but for the fact that the Commission had consulted the Public Service Board indirectly in relation to the development of automatic data processing, could have resulted in the Commission being denied access to the expert advice of the Board in this important matter.

Buildings

397 In its thirty-fifth Annual Report (1966-67) the Commission, in drawing the attention of the Parliament to some of the difficulties under which it works, referred to an urgent need for new buildings in Adelaide, Sydney and Melbourne.

398 In evidence it was claimed that the Commission has found it impossible, except in Canberra and Perth, to consolidate its radio and administrative operations. It also claimed that apart from its Perth complex, it had been unable to develop accommodation plans. The reasons for this have included technological changes, availability of finance, the second World War and subsequent interdepartmental control of Commonwealth building. It was claimed that the Commission's staff, in cities other than Perth and Canberra, is housed in a variety of buildings, many held on lease, and dispersed over a wide area. By modern standards many of the studios were said to be outmoded, in constant need of repair and unable effectively to provide what is now required for

radio broadcasting. The Commission is firmly of the view that large scale television production should be separated physically from radio production in Sydney and Melbourne but that in other capital cities the interests of economy and efficiency will be best served by grouping all activities on the one site.

399 Details of the properties presently occupied by the Commission in the State capitals, and its plans for improving its accommodation in those cities are set out in Chapter 4 of this Report.

400 During the course of our investigations we inspected the Commission's newly-constructed, integrated complexes in Perth and Canberra and its present accommodation in Adelaide and Melbourne.

401 In Perth, the Commission is accommodated on a single site at Rosehill comprising a quartet of buildings, one for radio administration which includes a series of network and specialist studios. There is a television building which incorporates a studio of approximately 1,500 square feet together with associated services and technical areas. The administrative building provides accommodation for engineering and production facilities staff. The main building incorporates an orchestral studio and provides accommodation for the western Australian Symphony Orchestra. The studio is also utilised for school and public concerts in which the Commission's orchestra and many of its musicians are featured. Your Committee was favourably impressed by the high standard of accommodation provided for the Commission on this site and also on the site at Northbourne Avenue in Canberra.

402 By comparison with the position in Perth and Canberra, the Commission's accommodation for radio and administration in Adelaide, which we inspected, can only be described as deplorable. The administrative headquarters, Broadcast House, located in Hindmarsh Square is a very old building, originally a coach-house before being converted into a garage. At present, offices are located in what was formerly the gallery of the garage and many offices, some with substandard ceiling heights, are wholly enclosed in the centre of the building, thus giving rise to acute ventilation problems. Accommodation leased by the Commission in Adelaide comprises Football House, a small office in the I.O.U.F. Buildings in Gawler Place, office accommodation in the O. and G. Building, Hindmarsh

Square and the Star Theatre, a cinema at Norwood which was renovated to accommodate the Symphony Orchestra. While the leased accommodation was found to be of a somewhat better standard than the property owned by the Commission it was also found to be fundamentally unsatisfactory in terms of the reasonable needs of the Commission. On the basis of the evidence and the inspections made, Your Committee accepts the claim that staff morale and effort have been adversely affected over the years by discomfort and deficiencies in the working environment of the Adelaide buildings.

403 During our Hearing in Adelaide we noted that in 1962 the Department of Works had made a comprehensive report relating to fire protection in connection with the Hindmarsh Square building. That report had stressed the completely sub-standard level of the whole premises from the viewpoint of fire protection and construction. While some of the recommendations emanating from that report had been implemented, we were disturbed to learn that a senior witness representing the Commission was unaware that the report had been produced by the Department. Also, shortly before our inquiry, the Commission requested the Postmaster-General's Department to inspect and advise it on fire protection in the Hindmarsh Square building. Recommendations were made in respect of the placement of additional fire extinguishers and the introduction of a warning bell system. Two additional fire extinguishers have since been installed, several exits have been cleared and other exits have been opened but, at the time of our inquiry the introduction of a warning bell system was under consideration. In view of the lengthy consideration that has been given to fire protection in the Hindmarsh Square building, Your Committee believes that the whole matter of fire protection should be investigated as a matter of urgency by the Commonwealth Fire Board and the findings of that Board should be acted upon by the appropriate authorities.

404 The Commission's radio and administration accommodation in Melbourne, which we inspected, comprises Broadcast House and Waverley Court in Melbourne and Majella House in St. Kilda. In addition to these properties the Commission has under lease Cyclone House, the C.M.L. Building and a concert box office in Melbourne, Tytherley House in St. Kilda and the Waverley Theatre at Waverley. On the basis of the evidence submitted and the inspections made it is clear that while the accommodation

available in these buildings is of a higher standard than that available to the Commission in Adelaide it is inadequate in relation to the Commission's reasonable needs. In particular, the geographical spread of the buildings occupied in a closely populated city and inner suburbs undoubtedly creates problems of staff mobility and adds considerably to the Commission's costs.

405 The Commission's problems in Sydney centre on the need to consolidate its operations, at present dispersed over 22 buildings, to improve existing accommodation where necessary, to replace dilapidated studios and to ensure the continuity of radio transmission. It appears that the key to the Commission's planning in Sydney is a proposal of the New South Wales State Government to widen William Street and construct a tunnel under King's Cross.

406 While the Head Office of the Commission is located in Sydney in accommodation that was said to be excellent, section 34 of the Broadcasting and Television Act provides that the Head Office shall be established in the Australian Capital Territory on or about a date to be fixed by the Minister. Evidently, however, no decision has been conveyed by the Minister to the Commission on this matter. Your Committee believes that the Commission might be assisted greatly in the planning of its future accommodation requirements in Sydney and Canberra if the Minister were to indicate to it the likely date of transfer of its Head Office to Canberra.

407 The evidence shows that the Commission's buildings in Brisbane are now crowded and one leased building is inadequate. In Hobart, the Commission's radio and administrative activities are accommodated in leased premises. While this accommodation was said to be reasonable the Commission is anxious to consolidate its activities as soon as possible.

408 On the basis of the evidence and the inspections that it made Your Committee believes that the Capital City accommodation available to the Commission, particularly for radio and administration purposes, is inadequate and in many cases is seriously sub-standard. Your Committee further believes that, in the interests of efficiency, sustained and urgent efforts should be made to provide the buildings required by the Commission.

works Programming

409 During most of the years between 1932 and 1949 the Commission engaged an architect to undertake the planning and construction of its building programme. In 1949, however, following the recommendations by the Fitzgerald Commission that the Commission should be financed through appropriations rather than by license fees, the Postmaster-General determined that in future the Department of Works would carry out construction work for the Commission.

410 It was claimed in evidence that the system under which the Commission is required to undertake its works programming is basically inflexible although some improvement in the arrangements had been made in 1967. It was claimed specifically that the Commission is a specialised client of the Department of Works and has, in relation to many of its projects, particular problems such as acoustics and sound-proofing on which it regards itself as more expert than the Department of Works. The system under which that Department functions was said to involve many years from the planning to the completion of projects and for this reason is unsuitable for the broadcasting industry in which the Commission operates and which is subject to a rapid rate of technological change.

411 We examined with Commission witnesses and Department of Works witnesses the question of whether or not the Commission would be assisted by the engagement of private architectural consultants or by the engagement of its own design staff. On the evidence it appears that the Commission would not be assisted greatly by changes in either of these directions. In general, however, it appears to Your Committee that the Commission would be assisted materially in its works programming arrangements if it were to consult the Department of Works at the earliest possible stage in the formulation of its works proposals.

412 The evidence shows that in recent years the Commission has had the benefit of assistance from the Department of Works' Bank Unit. This unit was established some years ago to undertake work for the Commonwealth Bank of Australia. While it still performs this function for the Reserve Bank of Australia and the

Commonwealth Banking Corporation, it had the capacity, when television was introduced in Australia, to process the major television complexes in New South Wales and Victoria. The Bank unit also played an important part in the development of a very satisfactory building for the Commission in Perth. We understand from the Department of works that the Bank Unit is available to assist the Commission with its future works programme and we trust that the Commission will avail itself fully of the services of that unit.

413 In the context of the problems raised by the Commission we noted the assertion made by a Commission witness that in recent years the Commission has attempted to implement too large a programme without proper planning, in an environment of rapid technological change. We found some support for this thesis during our examination of the expenditure results relating to capital works and services on the Commission's television studios for the financial years 1965-66 to 1967-68. While a number of factors contributed to shortfalls in expenditure during those three years, it is evident that on several occasions the Commission had found it necessary to re-examine its requirements. In the case of expenditure on the Collinswood, S.A., project in 1967-68 in particular, the Commission admitted that it must accept much of the responsibility for the delay that occurred in the construction of the building, through failure on its part to co-ordinate properly its requirements and through delays in getting its requirements properly clarified by the sections of its administration involved in the project.

414 In these circumstances Your Committee notes with satisfaction the Commission's proposal to establish a central planning unit to co-ordinate the efforts of its building section and provide it with control, co-ordination and forward planning. Your Committee believes that the establishment of this unit is long overdue and is a matter of considerable urgency.

Financial Administration

415 A large part of our examination of the finances of the Commission was directed to obtaining information concerning details of its cost elements and the factors that have affected its cost trends in recent years. Much of this information has been set out in Chapter 5 of this Report.

416 In regard to financial information published by the Commission our examination of the Commission's annual reports to the Parliament in recent years showed that while a comparison of receipts and expenditure for two successive years is included in each Report, appropriate explanatory comment on variations in expenditure in successive years tends to be meagre in most cases and absent in others. While Your Committee recognises that the Commission operates in a competitive environment with commercial radio and television organisations, it believes that, as the Commission is almost wholly financed from Parliamentary Appropriations, it should provide in its annual reports to the Parliament as much information as possible regarding the factors that have given rise to variations in its level of expenditure from year to year.

417 The evidence shows that the dissection between radio and television that had been maintained in the estimates of expenditure and in the Commission's annual statements of Receipts and Payments until 1960-61 was abandoned from 1961-62 in favour of an expenditure dissection that included the integration of radio and television payments. It was stated that as television developed, the form of the Commission's estimates had proved unsuitable as it necessitated the dissection, on an arbitrary basis, of a number of items of expenditure under various headings between radio and television. This was said to have caused confusion in the allocation of expenditure and to have made budgetary control of funds difficult.

418 While we obtained from the Commission a detailed analysis of administration expenses for the years subsequent to 1960-61, an adequate analysis of programme expenses was impeded by the inability of the Commission to provide a full dissection of its direct operational expenses between radio and television. In each of the three years 1964-65 to 1966-67, integrated radio and television expenditure comprised about twenty nine per cent of direct operational programme expenses. The evidence shows that the feasibility of allocating programme overhead costs to particular programme projects has been under consideration by the Commission for some time and the opportunity has been taken during the

investigation of the Queensland Branch to seek the views of the investigating management consultant on the matter. The consultant had recommended that salaries of programme officers, producers, floor managers and script assistants should be treated as programme overheads as it was not possible to relate them specifically to particular productions. The management consultant had also recommended that salaries and certain other costs should be charged to individual productions on the basis of hourly rates. At the time of our inquiry a method of effecting these recommendations was being evolved by the Commission. Your Committee believes that the development by the Commission of a satisfactory system of programme unit costing along the lines recommended by the management consultant is a matter of urgency if programme producers are to make adequate cost comparisons of the methods available to them for programme production.

419 On the wider issue of programme cost integration it was put to us in evidence that under current arrangements it is difficult to make an accurate dissection between expenditure on radio and expenditure on television due to the engagement of staff exclusively on radio, exclusively on television and on both radio and television. In addition, it was claimed that much of the material used is produced for radio only, some is produced for television only and there are common services available for radio and television. In this regard we note the claim made by the General Manager of the Commission that, currently, the cost of obtaining accurate expenditure dissections between radio and television could be excessive and the results achieved would not assist in the overall management of the Commission. We also note, however, his view that, should it prove possible, with the aid of computer facilities and other technology, to provide a dissection of radio and television expenditure without great cost, such a dissection should be made. Your Committee accepts this view and believes that the Commission should follow its plan to explore fully the extent to which it can use the computer facilities which it is at present developing to obtain cost analyses as aids to top management.

Findings

Your Committee finds that:-

- (1) Appropriate staff designations should be introduced in all divisions and specialist departments of the Commission. (Para 112).
- (2) The current review of the structure of the Programme Division in all States should be completed without delay and future surveys of the economic and efficient operation of that Division should be conducted on a regular basis. (Para 131).
- (3) The Commission should publish in its annual reports to the Parliament, appropriate details relating to its staff employed. (Para 165).
- (4) The Commission should examine critically the qualification requirements of the positions on the establishment of the Secretariat Department with a view to strengthening its capacity. (Para 173 to 175).
- (5) The Commission should examine the adequacy of the duties performed by its Organisation and Methods Department. (Para 176 to 178).
- (6) The results of a survey conducted in 1967 by a Management Consultant in the Queensland Office of the Commission should be applied without delay to the Branch offices of the Commission in the other States. (Para 179 to 181).
- (7) The Postmaster-General's Department should have advised the Commission of the availability of the services of the interdepartmental committee on automatic data processing. (Para 187).

- (8) The matter of fire protection at the Hindmarsh Square building of the Commission should be investigated, as a matter of urgency, by the Commonwealth Fire Board and the findings of that Board should be acted upon by the appropriate authorities.
(Para 233 to 239).
- (9) To assist the Commission in the planning of its future accommodation requirements in Sydney and Canberra, the Minister should advise the Commission as to the likely date of transfer of its Head Office to Canberra.
(Para 220).
- (10) Except in the cases of Perth and Canberra the Capital city accommodation available to the Commission, particularly for radio and administration purposes, is inadequate and in many cases is seriously sub-standard. In the interests of efficiency, sustained and urgent efforts should be made to provide the buildings required by the Commission.
(Para 205 to 208)
- (11) The Department of Works should continue to provide works programming services for the Commission. At this stage the Department's Bank Unit appears to be appropriate for this purpose.
(Para 272).
- (12) The Commission should consult the Department of Works at the earliest possible stage in the formulation of its works proposals.
(Para 268 to 269).
- (13) As a matter of urgency the Commission should establish a central planning unit to co-ordinate the efforts of its building section and to provide it with control, co-ordination and forward planning.
(Para 274).

- (14) The Commission should provide in its annual reports to the Parliament as much information as possible regarding the factors that have given rise to variations in its level of expenditure from year to year.
(Para 277 to 282).
- (15) The development by the Commission of a satisfactory system of programme unit costing should be undertaken as a matter of urgency.
(Para 325 to 328).
- (16) The Commission should explore fully the extent to which it can use the computer facilities which it is at present developing to obtain cost analyses as aids to top management.
(Para 182 to 187).

For and on behalf of the Committee,

David N. Heid

DAVID N. HEID,
Secretary,
Joint Committee of Public Accounts,
Parliament House,
Canberra, A.C.T.

Richard Cleaver

RICHARD CLEAVER
Chairman

Joseph F. Fitzgerald

12 August 1969.

Index to Exhibits

| <u>Exhibit No.</u> | <u>Title</u> |
|--------------------|--|
| 1 | History of the Australian Broadcasting Commission. |
| 2 | Legislation under which the Commission is constituted. |
| 3 | Functions and Organisation of the Australian Broadcasting Commission. |
| 4 | Columnar Statement of Receipts and Expenditure of the Commission for the Financial Years 1957-58 to 1966-67 inclusive. |
| 5 | Comments on Paragraph (e) Items (i) and (ii) of the Memorandum 1968/3 of 19th March, 1968 from the Parliamentary Joint Committee of Public Accounts. |
| 6 | Additional Submission - 1 May 1968. |
| 7 | Statement No.16. |
| 8 | Statement No.21. |
| 9 | Statement No.34. |
| 10 | Department of Works - Explanatory Statement. |
| 11 | Department of Works - Explanatory Statement. |
| 12 | Department of Works - Explanatory Statement. |

LIST OF ROYAL COMMISSIONS AND BOARDS OF ENQUIRY

BROADCASTING AND TELEVISION

1927 - ROYAL COMMISSION ON WIRELESS

Appointed by the Governor-General in Council on 28th January, 1927 to inquire into and report upon:-

- (1) Wireless broadcasting within the Commonwealth in all its aspects, making recommendations as to any alterations deemed desirable in the policy and practices at present in force.
- (2) The development and utilisation of wireless services for public requirements within the Commonwealth.

Report dated 14th July, 1927.

1941 - 42 - JOINT COMMITTEE ON WIRELESS BROADCASTING

(GIBSON COMMITTEE)

Appointed by Parliament on 3rd July, 1941, to enquire into and report upon wireless broadcasting within and from Australia, with particular reference to the following questions -

- (a) Should any and what change be made in the existing laws and practices relating to the control of broadcasting?
- (b) Are the services now provided by the Australian Broadcasting Commission and commercial broadcasting stations adequate, and, if not, in what respects should they be improved.
- (c) Should any, and, if so, what, improvements be made in the wireless broadcasting of news within and from the Commonwealth.

Report dated 5th March, 1942.

1942-1956 - PARLIAMENTARY STANDING COMMITTEE ON BROADCASTING

Appointed under the provisions of the Australian Broadcasting Act, 1942, Part IV - in accordance with the recommendation of the Joint Committee on Wireless Broadcasting 1941 - 42.

First Report 2nd February, 1943, dealt with:
Religious Broadcasts
Australian Music, Composers and Artists
Copyright
The ABC Weekly
Political Broadcasts
Accounts
National Studios
Funds for Technical Development

Correlation of Programmes
Power, Frequencies and Additional Licences
Licence - Fee Concessions
Ordering of Broadcasts
Correct English and Pronunciation
Overseas Short-Wave Broadcasts
Objectionable Broadcasts
Medicine Advertisements and Medical Talks
Committee's Powers and Functions

- Second Report 28th June, 1943
Newcastle broadcasting facilities
Ordering and prohibiting of broadcasts
National programme administration costs
The Charlton Case
Australian music composers
Programme networks and multiple ownership of stations
Studio and administrative offices for national programme service
- Third Report 22nd February, 1944
Funds for the Programme and Technical Services of the National Broadcasting System
The powers of the Australian Broadcasting Commission
- Fourth Report 13th March, 1944
The Broadcasting of News
- Fifth Report 14th September, 1944
The Australian Labour Party's Application for Broadcasting Facilities in Tasmania
The Broadcasting of News
Standard Radio Receiving Sets for Schools
- Sixth Report 20th February, 1945
The Dcniliquin Case
- Seventh Report 28th April, 1945
The proposed Australian Broadcasting Commission (Staff) Regulations
- Eighth Report 26th September, 1945
The Broadcasting of Parliamentary Debates
- Ninth Report 11th March, 1946
The Question of Broadcast Talks on Venereal Disease and other Sex matters
- Tenth Report 11th March, 1946
National Programme Administration
- Eleventh Report 12th March, 1946
Control of Overseas Material for Australian Programmes
- Twelfth Report 17th June, 1946
Frequency Modulation Broadcasting, Television Broadcasting and Facsimile Broadcasting

- Thirteenth Report** 3rd July, 1946
The Financing of the National Broadcasting System
- Fourteenth Report** 4th July, 1946
The Broadcasting of News
- Fifteenth Report** 1st May, 1947
The Financing of the National Broadcasting System
- Sixteenth Report** 11th September, 1948
The Broadcasting of Parliamentary Proceedings to Country and Remote Areas
- Seventeenth Report** 13th September, 1948
An Australian Music Composers' Fund
The Use of Australian Music
The Use of Other Australian Programme Material

1947 - 1948

COMMITTEE OF ENQUIRY (FITZGERALD COMMITTEE)

Appointed by the Postmaster-General in accordance with the recommendation of the Parliamentary Standing Committee on Broadcasting (Fifteenth Report).

.. "to consider whether the present administrative and financial organisation of the Australian Broadcasting Commission is such as to ensure the discharge of the powers, functions and obligations of the Commission as prescribed in the Australian Broadcasting Act, with maximum efficiency and adequate control and due economy of expenditure, and to report whether any changes are necessary or desirable in this connection".

Report dated 5th March, 1948.

1954

ROYAL COMMISSION ON TELEVISION

Appointed by the Governor General in Council, 11th February, 1953, to inquire into and report upon -

- (a) The number of national and commercial television stations which can effectively be established and operated having regard to the financial and economic considerations involved and the availability of suitable programmes;
- (b) The areas which might be served by television stations and the stages by which they should be established.
- (c) The conditions which should apply to the establishment of television stations;
- (d) The standards to be observed in the programmes of national and commercial television stations to ensure the best use of television broadcasting in the public interest;

- (e) Any conditions which may be considered desirable to apply to the television broadcasting of -
 - (i) political and controversial matter and issues
 - (ii) religious services and other religious matter; and
 - (iii) advertisements; and
- (f) The conditions, if any, which should be imposed with respect to periods of broadcasting of television programmes.

Report dated 13th November, 1953.

1962 - 1963

SELECT COMMITTEE OF THE SENATE - (VINCENT COMMITTEE)

Appointed by the Senate to inquire into and report upon -

"The encouragement of the production in Australia of films and programmes suitable for television, and matters incidental thereto".

Report dated 29th October, 1963.

Details of the fourteen weekly editions of T.V.Times, as at May,1968

New South Wales

- (i) Metropolitan edition. This edition of forty pages contains the programmes of the four Sydney channels together with one page summarising Newcastle and Wollongong commercial channel programmes for viewers in the metropolitan area who can receive those channels.
- (ii) Newcastle - Wollongong editions . This edition consists of the metropolitan edition plus eight yellow pages inserted in the centre of the book giving in detail the programmes of ABC N.S.W. regional relays, WIN-4 Wollongong, CTC-7 Canberra, CEN-8 Orange and NBN-3 Newcastle and their translator channels.
- This edition is circulated in those parts of the Newcastle and Wollongong viewing areas which also receive metropolitan programmes. The page of condensed Newcastle-Wollongong programmes carried in the metropolitan edition is replaced by a news page in the Newcastle-Wollongong edition. This edition also goes to areas such as Oberon and Bathurst, which receive metropolitan and several country channels.
- (iii) Southern Inland edition. This consists of thirty two pages, sixteen pages of editorial plus cover and sixteen pages of country programmes only. The country programmes, printed in the centre on yellow paper, are those of ABC N.S.W. relays, Wollongong, Canberra, Orange and Newcastle commercial programmes. These pages are lifted straight from the Newcastle-Wollongong edition. There is a facing page for each day showing the programmes of RVN-2 Wagga, AMV-4 Albury, GMV-6 Shepparton and ABC Victorian regional relays. This edition circulates in

areas which receive one or several of these programmes but are out of range of metropolitan channels.

- (iv) Northern Inland edition. The editorial pages are unaltered from the Southern Inland edition. The left hand programme page for each day is lifted from the Newcastle-Wollongong edition, with ECN-8 Taree replacing CTC-7 Canberra. Each facing right hand page carries the programmes of NEN-9 Tamworth, NRN-11 Coff's Harbour, SDQ-4 Southern Downs, RTN-8 Lismore and ABC Queensland regional relays.

Victoria

- (i) Metropolitan edition. This is a forty page edition carrying the programmes of the four Melbourne channels and two Gippsland channels.
- (ii) Eastern Victoria edition. A forty eight page edition containing eight yellow pages, one page of country news, the remainder giving country programme details covering AEC regionals ECV-8 Bendigo and its Swan Hill translator, BTV-6 Ballarat and its Warrnambool translator, GMV-6 Shepparton, AMV-4 Albury and its Snowy Mountains translator at Khancoban.
- (iii) Western Victoria edition. A forty eight page edition in the same format as the eastern edition. It covers ABC regionals STV-8 Mildura, BTV-6 Ballarat and Warrnambool, SES-8 Mt. Gambier and South Australian ABC regionals, including Broken Hill. This edition also goes to Adelaide, where it is inserted in the Adelaide metropolitan edition to become the South Australian country edition.

Queensland

- (i) Metropolitan edition. A forty page edition giving details of the four Brisbane channels.
- (ii) Country edition. Consisting of metropolitan edition plus eight yellow pages with programmes of ABC Queensland regional relays DDQ-10 Toowoomba, WBQ-8 Wide Bay, RTN-8 Lismore and RTG-7 Rockhampton. Cross viewing makes it necessary to carry ABC Queensland relays and Lismore commercial programmes in both N.S.W. Northern Inland and Queensland country editions.
- (iii) Northern edition Of only Twenty four pages. These comprise sixteen pages of cover and editorial plus eight pages of programmes for ABC regionals WBQ-8 Wide Bay, RTQ-7 Rockhampton TNQ-7 Townsville and FNQ Cairns. Wide Bay programmes are published in both Queensland country and northern editions because of cross viewing. There are two or three pages of Northern Queensland local news in this edition. The remaining editorial pages are identical with those of the N.S.W. Inland editions.

South Australia

- (i) Metropolitan edition. The average size of this edition is thirty six pages. It gives details of the programmes of the four Adelaide channels.
- (ii) Country edition. Consisting of metropolitan edition plus an eight page yellow insert which is the Western Victorian insert. This covers Mt. Gambier, Broken Hill, Ballarat and Mildura.

- (iii) Port Pirie edition. This edition is similar to the Adelaide metropolitan edition except for two pages of Port Pirie commercial programmes. These cannot be accommodated in the country insert because of space limitations.

Western Australia

One edition only of thirty two pages to cover both metropolitan and country channels gives details of the programmes of the three Perth channels.

Source: A.B.C.

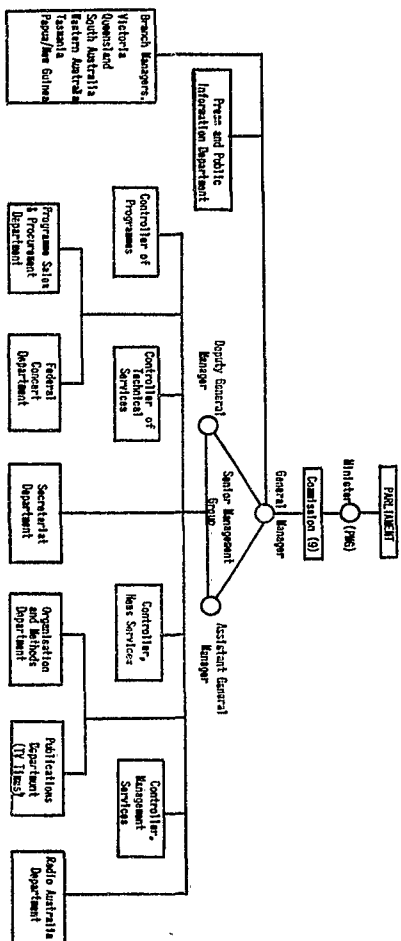


Chart No.2.

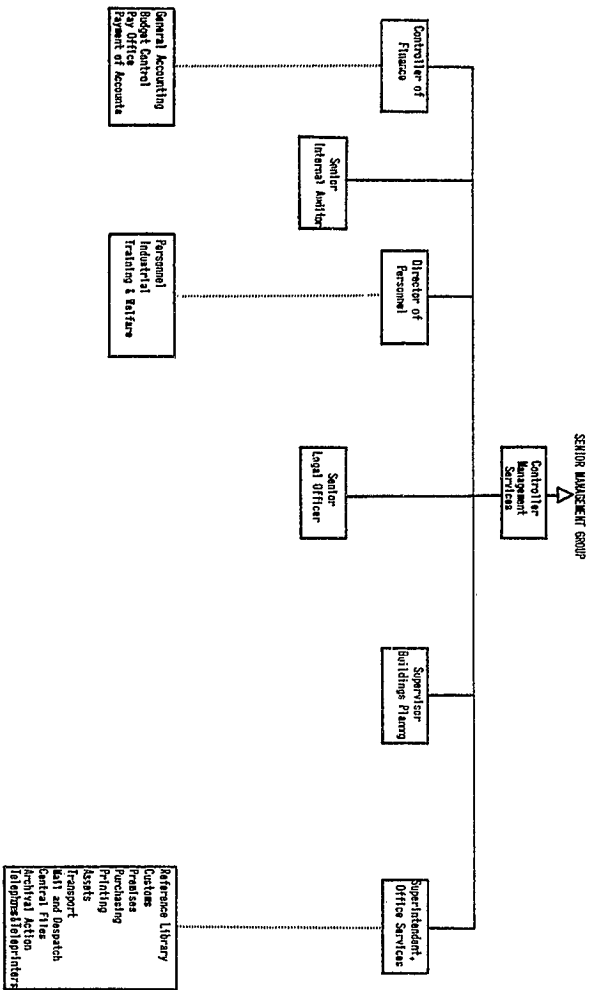
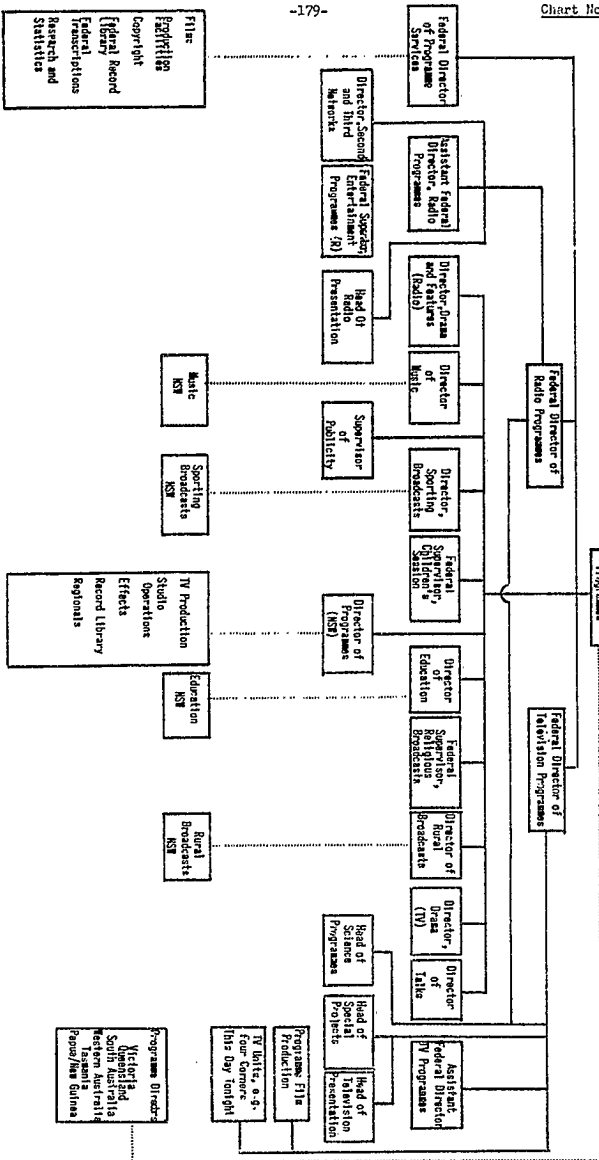
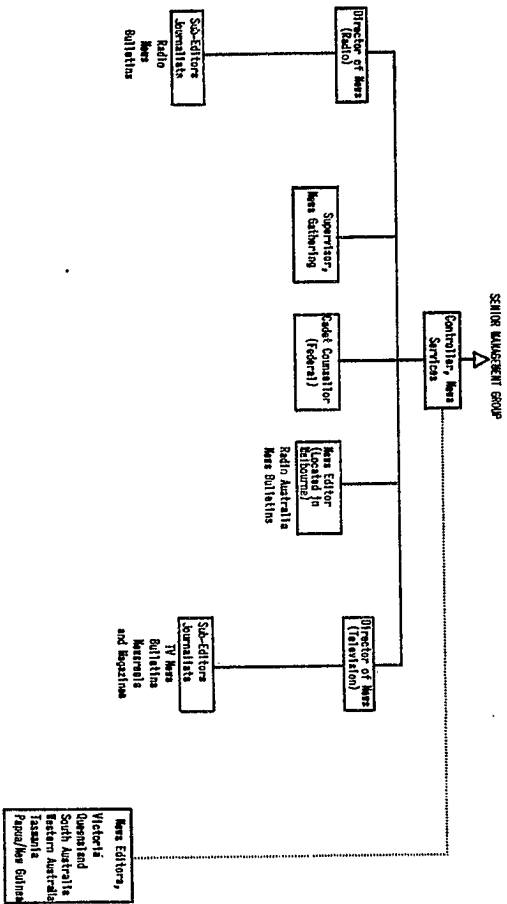


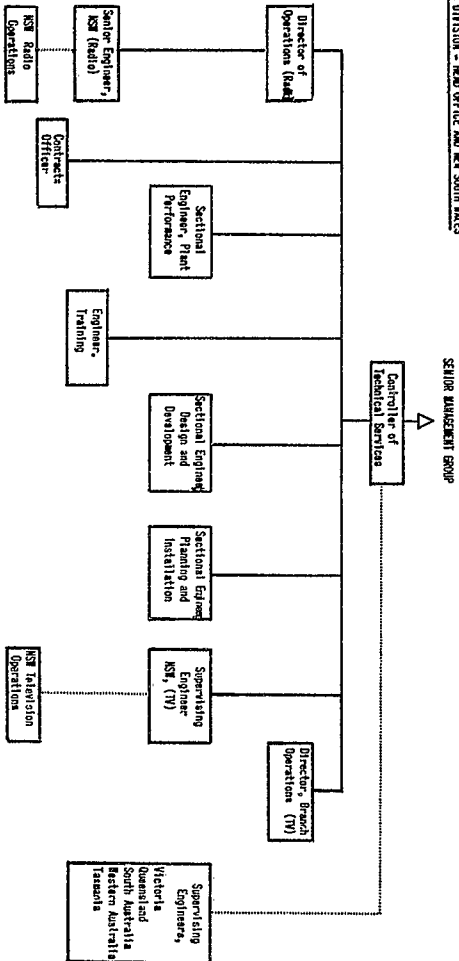
Chart No. 3.

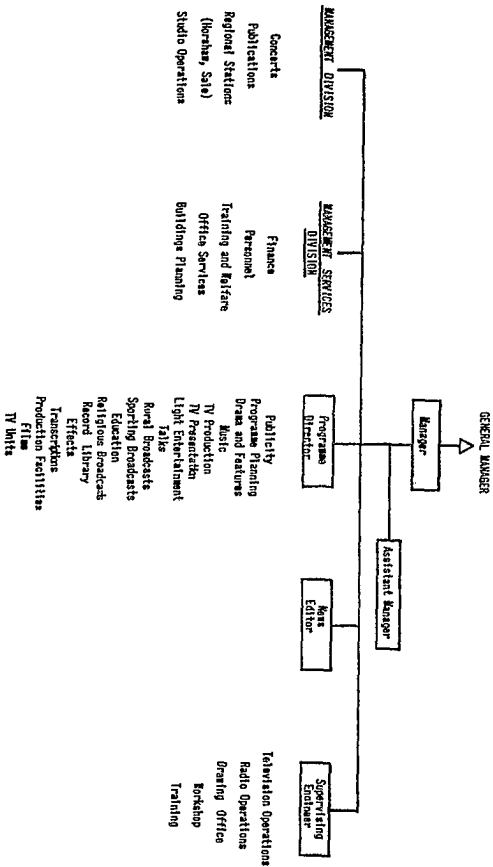


NEWS DIVISION - HEAD OFFICE



TECHNICAL SERVICES DIVISION - HEAD OFFICE AND NEW SOUTH WALES





REPUBLIC GUINEA

