

# Public broadcasting – the Tasmanian Tiger of New Zealand

Public broadcasting in New Zealand was last sighted in the late 80s but was officially declared an extinct species in 1989, says **GORDON HARCOURT**. Can it be brought back from the dead?

**M**ay you live in interesting times goes the old Confucian saying. New Zealand broadcasters - and Television New Zealand (TVNZ) management in particular - are indeed living in such times.

Eighteen months ago I wrote an article for the Reuter Foundation program at Oxford University. I called it "The Crisis in New Zealand Public Broadcasting".

At the time I wrote it I genuinely feared for the future of my profession: "The very notion of continuing to provide non-profit public broadcasting is under threat in New Zealand."

I told a story of the public service radio network Radio New Zealand (RNZ) under constant fiscal threat, and of a television culture that valued the bottom line above all else.

It was an environment where advertising on TVNZ took up to 15 minutes an hour, and where an early morning education program was dropped in favour of American infomercials for exercise machines and diet schemes.

Today, I would title my article: "The crisis facing the board and managers of a once proud and massively profitable state-owned commercial broadcaster in New Zealand".

In November last year, the conservative Government was voted out of office. The new Labour-Alliance coalition Government, which came to power with a strong mandate for change has declared war on the "crass commercialism" it says dominates television in New Zealand, or more particularly, which dominates TVNZ.

It has reaffirmed RNZ as a precious cultural jewel, although it hasn't given it any more money. It has committed itself to introducing local content quotas for television and radio, and it has declared an almost sacred commitment to a nebulous and as yet undefined notion of "public service broadcasting".

## **PUBLIC BROADCASTING AN EXTINCT SPECIES**

Public service broadcasting in New Zealand was last sighted in the late 80s but was officially declared an extinct species in 1989, when broadcasting was totally deregulated:

- No limits on foreign ownership of media companies;
- No limits on cross-ownership; and
- No local content quotas, not that any had existed prior to that anyway.

**TVNZ is the nation's most powerful media organisation, and it is being made to dance to the shots being fired at its feet and 'heads' by the Government.**

## **THE PAST DECADE**

TVNZ is, according to a TVNZ study, the world's most successful publicly owned broadcaster - if you look at the bottom line. It may have almost entirely abdicated any notion of public service broadcasting but it makes loads of money: \$NZ21.6 million in the final six months of 1999.

Never mind the quality - watch the dividend!

Making money is great for a broadcaster but does this profit go back into making programs? No.

Most of the 'surplus' generated by TVNZ goes back to the government as a dividend, which it can distribute as it sees fit.

Under the previous conservative administration this was a wonderful thing. It was clearly on a path to sell TVNZ. Whenever asked if TVNZ was to be sold, the Minister responsible for TVNZ uttered the mantra "no - not at this time".

Translated, this meant "we won't sell prior to the 1999 election because it would be politically unpopular but if we win we'll hock it off instantaneously".

Broadcasting was a true torchbearer of the brave new New Zealand of the 80s and 90s. However, the times they are a changin'.

The new Prime Minister, Helen Clark, has launched a series of scathing attacks on TVNZ management and its board, and TVNZ has suffered a series of setbacks:

- its \$NZ200 million request to fund its plan to go digital was refused by the Cabinet;
- the Chairman of the Board, Roseanne



From above, clockwise: TVNZ programs: Mary Lambie from *The Money Doctor*, *Te Tutu* (comedy); *One News* reporters - Judy Bailey and Richard Long; *Mum, Dad and Michaela*.

Meo, resigned prematurely in response to the attacks; and

- her successor, Ross Armstrong, almost immediately echoed the Prime Minister by attacking his own News and Current Affairs department at TVNZ.

The crowning glory, however, has been what has been coined “Hawkesby-gate”.

#### HAWKESBY-GATE

John Hawkesby was a highly esteemed prime-time national newsreader at TVNZ’s rival CanWest-owned TV3. In early 1998 he was lured away from TV3 with a highly attractive five-year contract paying up to \$NZ800,000 a year.

Unfortunately, the move was a disaster for Hawkesby and TVNZ. TVNZ’s news ratings collapsed when long-time TVNZ reader Richard Long was pushed aside to make way for Hawkesby.

Its audience was outraged and Hawkesby was vilified. He looked grey and crushed on screen, and after just a month of heading TVNZ’s news, he was sacked.

While “Hawkesby-gate” occurred two years ago, the debacle made it to court this year, and what a happy day that was for Hawkesby. He was awarded \$NZ5.25 million by an arbitrator.

The ruling caused a national uproar prompting the Prime Minister to demand

that “heads should roll” at TVNZ.

As yet, they have not - except for the Chairman who has resigned and Neil Roberts, the Managing Director who actually initiated the Hawkesby deal, who died last year of cancer before the election and ahead of the Hawkesby scandal breaking.

#### SCHADENFREUDE EPIDEMIC

The deep discomfort being suffered by TVNZ has been not so secretly cheered by many in the broadcasting industry. Indeed, the sly grins on the faces of independent program-makers might indicate an epidemic of Schadenfreude.

However, glee is turning to discomfort for industry observers. TVNZ is the nation’s most powerful media organisation, and it is being made to dance to the shots being fired at its feet and ‘heads’ by the Government.

There is an increasing realisation that making the national broadcaster a whipping boy is not a healthy thing. As a state-owned but independently managed enterprise, how

TVNZ is accountable to the public, as opposed to the government of the day, has become blurred and its systemic role in the broadcasting system has been completely eroded. Its broadcasting is no longer distinctive.

**DEMOCRATISATION OR OVERSEAS IMITATION**

The new Chairman of the TVNZ Board, Ross Armstrong, says he is going to get tapes of BBC bulletins to see what TVNZ's news should look like, and in one magazine article he is quoted thus:

"If some changes to news and current affairs are not causing my friends, people I mix with in various ways, to say to me 'we're starting to see a difference we quite like' by the Spring, I've really got to ask myself whether I was the right person for the job."

*North and South, May 2000*

Is this to be the benchmark for quality television in New Zealand now? Is news to be judged according to what the dinner party mates of the TVNZ Chairman think? If nothing else, television has been democratised in New Zealand over the past ten years.

It may be crap, but it's been home-grown popular crap not overseas imitation.

**WHAT IS "PUBLIC BROADCASTING" AND WHO SHOULD DECIDE?**

In the current climate, TVNZ has suddenly received recognition as a national strategic asset, vital to New Zealand's struggle to define its cultural identity.

The paradigm has changed and public broadcasting is fashionable again in New Zealand. Broadcasting has emerged as a priority in policy debate, instead of a nice little profit source.

Public broadcasting is now safe, it seems, and the debate is shifting to what form it might now take.

Can the goals of a public broadcaster be achieved through existing structures?

The new Government had a pre-election policy of introducing local content quotas for radio and television. The Australian quota model is being closely examined and, although the government is moving at a deathly slow pace, it seems quotas will be introduced. They are far from universally

popular, of course, but this Government can pretty much do what it wants in the parliament, at least while promised support from the small Green and NZ First parties remains.

What is public broadcasting in New Zealand in the year 2000? And who will and who should decide its fate?

Does its future lie in the hands of advertisers and the programs they are prepared to support? Should the parliament of the day or the Board, appointed by the parliament, decide?

Should public broadcasting represent what disaffected minorities and program-makers feel they have been denied for the past ten years? ☹

---

Gordon Harcourt is the Producer of the highly-regarded arts and media program *Backch@t* in New Zealand. He is an award-winning broadcast journalist who attended the Reuter Foundation at Green College, Oxford University in 1998. This year he realised a long-held ambition to become a cricket commentator. He calls club cricket on the Wellington cable station Saturn TV with New Zealand cricket legend John 'Mystery' Morrison. *Backch@t* is produced by an independent production company, The Gibson Group, for TVNZ's TVONE.

**BROADCASTING IN NEW ZEALAND - HOW IT WORKS**

No single television broadcaster has a public service role in New Zealand. Instead a government agency called New Zealand On Air (NZOA) distributes approximately \$NZ87million, of which 53 per cent goes to making television programs, and 27 per cent to radio programs (almost all of this goes to RNZ).

NZOA funds programs on TVNZ and the Canadian owned TV3 that otherwise wouldn't be made because of their cost. It has public service goals but only funds programs that the broadcasters agree to broadcast.

Prior to this year, NZOA's money came from a Broadcasting Fee of \$NZ110. This was abolished by the former government in 1999, and NZOA's budget now comes directly from the government.

**RADIO**

New Zealand has one of the world's most crowded radio markets: There are more than 200 stations for just 3.5 million peo-

ple. The vast majority are music or talk-back stations.

RNZ is the national radio service. It has one national station with news, current affairs, music and drama, and a national fine music station, Concert FM.

RNZ is a true public broadcaster, very much in the tradition of the BBC. It operates under a strict charter that governs its content. This includes a provision to provide:

Programs which contribute towards intellectual, scientific and cultural development, promote informed debate and stimulate critical thought.

RNZ's annual budget of \$NZ21.4 million is fully funded by the government.

**TELEVISION**

TVNZ is state owned but is not a public broadcaster. It has two channels:

- TVONE (mature audience: more serious, with news, current affairs

and information programs)

- TV2 (younger audience: music, American comedies, no news, more profitable).

It is what's known as an SOE, or State Owned Enterprise. This is a model of commercial/government hybrid created by the reforming 1984-1990 Labour Government, which attempted to shift government agencies to a business model.

TV3 is almost entirely owned by CanWest, the Canadian company which also owns Channel 10 in Australia. It is currently struggling to maintain audience share, and its profitability has fallen.

New Zealand also has a privately owned pay network, Sky TV, which is owned by a Murdoch controlled newspaper company, INL.

There are also various private regional stations, including a national service, Prime, which has a network of regional stations.