

SABC's annual report raises more questions than it answers

By Kate Skinner*

After months of media reports about crises at the SABC and stories detailing feuds between the Board (or sections of it) and senior management (or certain members of the executive), media activists eagerly awaited the release of the public broadcaster's annual report and financial statements to see if the Corporation's assertions that the public has no need to worry are true. The report released a week ago by the SABC however does not alleviate concerns we all have about the health of our public broadcaster – and instead raises even more alarm bells.

The report released covers the annual period up until the end of March 2008 so one cannot expect the gory details about what has been going on recently (including the spate of suspensions and reinstatements of the CEO) – but if leaked documents about the crises are to be believed, the trouble did not only start during this financial year, but dates back to alleged transgressions in previous years.

Reading the annual report however does not give any indication that trouble was brewing – in fact it repeatedly states using glossy euphemisms that all is “wonderful”. The little actual information that is provided itself raises more questions than answers.

For example, R40.6m is listed as “fruitless and wasteful” expenditure – but what exactly is this for and what is being done to stop such waste in future? The report only indicates that action is being taken – but then goes on to seem to indicate that the action taken for similar fruitless expenditure in the previous financial year is still pending.

And why did the SABC spend R76m on programming it never screened leading to this being “written off”? Why is this not regarded also as fruitless expenditure (it would seem to be a classical example) and has action been taken against those responsible? The report is silent on such issues.

The “Save our SABC” Coalition, representing COSATU, the Treatment Action Campaign, a host of NGOs and CBOs including the Freedom of Expression Institute, the Media Monitoring Project, and the Media Institute of Southern Africa has been established specifically to focus on making sure public broadcasting in South Africa is relevant and meaningful. As part of this, we have called for a total review of all broadcasting policy and legislation – with the aim of developing a new SABC Act. It seems that all stakeholders (including the SABC) agree that you can't look at how to assist the SABC to really fulfill its public mandate without reviewing the over reliance on commercial funding. That agreement however now needs to move beyond paper commitments and declarations at conferences. We need to really look at how much the SABC needs and ways to collect such funds.

It is not enough, however, for the SABC to just declare (as it does in the annual report) that the issue of more public funding must be addressed. If it wants the public to support it on this (and give more money in tough economic times) it needs to show a commitment to meeting its mandate and to being transparent about its spending. PR speak doesn't count. Frankly, for example, it is not useful to be told about “total

citizenship empowerment” or the SABC’s new “green revolution” in human resource policies if there is no direct discussion as to how this is going to translate into what we hear on radio and see on television.

So please, if you are reading, can someone at the SABC answer some of these questions for us (that the annual report is silent on)?

- What percentage of the budget is spent on programming and what on administration? How does this compare to other years? We need to be able to assess if perceptions that the SABC is again becoming top heavy and administration costs are eating into programming budgets.
- What progress, over time, against specific targets, has been made on the SABC fulfilling its language and local content requirements? Yes we know you stated in the report that you are achieving and exceeding these – but there are no facts and figures to back this up. The report also contains contradictions – whilst on one hand the report boasts that “up to 80% of local programmes now use languages other than English”, deep in the report in a section on regulatory matters, the SABC notes that it “proved difficult” to meet” some of the language quotas on television during prime time (though again the extent of the breach of its licence conditions is not detailed)
- And if employee costs have significantly increased (by just over 38%) don’t just state this is because of, amongst other things, “the expanding number of employees”. How many new employees have been employed and in what divisions?
- What also is the funding from government used for? And what did our licence fees contribute towards?

Another question that can not be answered is the amount of money that is transferred from the public commercial channels to cross subsidise the public channels – if any. The main objective of separating the SABC into public and public commercial wings according to the Broadcasting White Paper released in 1998 was to help protect the public wing from over reliance on advertising. It doesn’t seem however that the vision has worked in practice – it is difficult for example to imagine that three channels can rely on the commercial income from only one of these. The Annual Report however does not give any indication if the model is viable. If we are to help the SABC in addressing its funding channels, and fork out more money for licence fees or from our taxes it seems only fair that the broadcaster gives figures to assist us in evaluating this model.

A final major question is the SABC’s launch of its new corporate social investment Foundation. The question is what is the purpose of this new body? Why is the SABC getting involved in CSI anyway? The annual report claims that the SABC has launched the Foundation to “unleash” the broadcaster’s “potential” to “play a meaningful role in the economic and social development... of South Africa.” But surely that is the central role of the broadcaster and not a social add on to its otherwise private sector role? And is it not ludicrous to claim (as the report does) that the value of the 2700 minutes dedicated by one of the radio stations on “fashion and beauty, cooking, health issues related to women” is a CSI contribution to “women’s issues”?

The central missing element in the report was this issue of its public mandate – how is the broadcaster actually fulfilling day-to-day its obligations to its public on our screens and over the airwaves?

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