THE RISE AND FALL OF THE NEW ZEALAND BROADCASTING
CORPORATION, 1962-1973: A STUDY IN POLITICAL AND
ADMINISTRATIVE RELATIONSHIPS

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ABSTRACT

This thesis examines the political "career" of the New Zealand Broadcasting Corporation from the time of its inception in April, 1962, until the decision of the third Labour Government, 11 years later, to abolish it. In particular, it is a study of the ways in which the organisation's search for autonomy was mediated by evolving relationships among key actors: respective Ministers of Broadcasting, N.Z.B.C. Chairmen and Board members, and Directors-General of Broadcasting; and by the tensions that arose out of the demands of administrative accountability on the one hand and of professional autonomy - especially in respect of the organisation's journalistic staff - on the other. The thesis examines the implications of governmental appointment of the N.Z.B.C.'s Board members, and the problems arising out of the retention of ministerial responsibility for public broadcasting during this period. These aspects are discussed with reference to the theory of the public corporation in general. The thesis also examines aspects of administrative leadership within the Corporation, in particular the definition of organisational mission, and the promotion of institutional identity, both internally and externally. It concludes that the demise of the N.Z.B.C. is explicable principally in terms of conflicts which stemmed from the nature of the tasks the organisation was called upon to perform, especially the introduction and expansion of a television service within New Zealand, and the development of news and current affairs broadcasting; in terms of the political constraints and influences - both real and apparent - that worked upon it; and of shortcomings of administrative leadership within the organisation. The analysis is provided against the background of a review of the history of public broadcasting in New Zealand, from the early 1920's until the advent of the Corporation. This review is organised under five heads which bear upon the content of the main analysis: the control of broadcasting in New Zealand; the development of news and controversial broadcasting; the debate on monopoly and competition; the emergence of a philosophy of public broadcasting in New Zealand, with particular reference to the role of the first Director of Broadcasting, Professor (later Sir James) Shelley; and the advent of the N.Z.B.C.

INTRODUCTION

Purpose

The New Zealand Broadcasting Corporation came into being on April 1, 1962, under the Broadcasting Corporation Act 1961. The Corporation was a creation of the National Government, which had been elected in 1960 and which held office until the General Election of November, 1972. In January, 1973, the new Labour Government announced that the N.Z.B.C. was to be abolished and replaced by three separate corporations (two for television, and one for radio) and a broadcasting council to provide common services. Although the new system did not become fully operational until April 1, 1975, the Labour Government's announcement was, in effect, the death knell of the Corporation.¹ Apart from some references to the Broadcasting Acts of 1973 and 1976, that decision sets the time-frame limit for this thesis.

As discovered by others, "an inquiry into the subject of Broadcasting, which has so many ramifications and covers such a multitude of issues, is like trying to squash a live octopus into a small string shopping bag".² Thus it is necessary to spell out the central purpose of this study. It is to explain why a particular public broadcasting organisation, the N.Z.B.C., met the fate it did, i.e. abolition. Explanation is sought beyond the Labour Government's actual 1973 decision, for this decision can only be understood against the background of the Corporation's political career since its inception 11 years earlier.

1. Says Herbert Kaufman (Are Government Organisations Immortal?, The Brookings Institution, 1976, p.29): "As long as a boundary around a group of people included in the study was uninterruptedly maintained, I treated them as an ongoing organisation, even if the composition, activities, outputs, and inputs of the group did not remain constant. When the borders became indistinguishable, I assumed all other evidences of collective life had diminished to the vanishing point also, and there-upon declared the organisation deceased."
2. The Future of Broadcasting: A Report Presented to the Social Morality Council, Eyre Methuen, 1974, p. 92.

In assessing this career the broad, though central explanatory theme adopted is "the search for autonomy", which, according to Ionescu, is the "intrinsic functional principle" of the corporation.³ The notions of "ascribed" and "achieved" autonomy are particularly useful in understanding the arguments presented in this thesis. According to Mascarenhas,⁴ ascribed autonomy is

"The arrangements of the boundary or the points at which the organization and the government interact, i.e. establish the domain of the enterprise within the larger system by specifying the objectives and goals as a guide to action. Thereby, by an initial decision, the respective domains of the Government and the enterprise are established. As this specific relationship is one of dependency, we assume that an enterprise will try to resist it. The process by which a public enterprise strives for power so as not to be dependent on government for support is termed as achieved autonomy".

Thus while ascribed autonomy implies only a static, "snap-shot" perspective (for example, an examination of a particular piece of legislation), achieved autonomy demands a dynamic analysis of events, over time. The two cannot be considered in isolation, each from the other, because of the dialectical relationship that exists between them.

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3. G. Ionescu, Centripetal Politics: Government and the New Centres of Power, Hart-Davis, MacGibbon, 1975 p. 17. Ionescu distinguishes between representative institutions - "the characteristic organisations of the old (in this case, welfare) states" - and the corporate forces, which are "the characteristic organisations of the new (in this case, industrial-technological) society." (pp. 15-16). He argues that the three principal, but by no means sole, corporate forces of the industrial-technological society are the trade unions, the enterprises, and the regions and other units of local administration. "Those three categories of organisations, although fundamentally different in their purposes, functions and roles in society, are nevertheless all corporations." (pp. 16-17). Corporations are functional - "they define themselves by their role in society ... (and) ... Both intrinsically and functionally they are opposed to the centralising agent of the society, the state." (p. 17).
 4. R.C. Mascarenhas, "A Conceptual Framework for Understanding Autonomy for Public Enterprises in India," Academy of Management Journal, March, 1972, pp. 65-75. (emphasis added).

This thesis does not attempt to make any generalizations about the nature of public corporations in New Zealand, about the differences in practice between government departments, so-called, and public corporations, so-called. These questions have been examined elsewhere.⁵ As remarked in one of these studies, "the main justification for the use of the public corporation lies in its autonomy, which is supposed to enable it not merely to carry out its affairs like private enterprise, but is also regarded as a pre-requisite for efficient management: private enterprise = efficiency = autonomy."⁶ In the case of the N.Z.B.C., however, autonomy had to be equated not only with efficient management, but - more importantly - with independence from partisan political control and influence. This thesis examines how this central theoretical value was mediated in practice by the interactions among the principal actors and institutions mentioned below.

To this end, other, more specific, concepts and arguments drawn from the literature on organisational and administrative theory are employed in order to refine the analysis. These include, in particular, the concepts of organisational mission or purpose, the promotion of which, along with the fostering and maintenance of a sense of positive organisational identity, is (as will be argued) one of the critical functions of organisational leadership.

Also central to the analysis is an examination of the extent to which the N.Z.B.C.'s leadership sought to identify and articulate an explicit philosophy of public broadcasting's social and political responsibilities during the period

5. For example, R.J. Polaschek, Government Administration in New Zealand, N.Z. Institute of Public Administration, 1958; Leicester Webb, "Freedom and the Public Corporation", Public Administration (Sydney), Vol. 13, 1954; and Irene A. Webley, "State Intervention in the Economy: The Case of Public Corporations in New Zealand", in Stephen Levine (ed.) Politics in New Zealand, Allen and Unwin, 1978.

6. Webley, op. cit. p. 39.

in question, and of the nature of the implicit philosophy which reflected their appreciation of these responsibilities. On this point it is important to emphasise here that the author does not set out to examine what he thinks either the explicit or implicit philosophy ought to have been. Rather, the main concern is to evaluate, particularly in view of the tension between the organisation's top administration and the professional journalistic staff, the efforts of the N.Z.B.C.'s administrators in handling this task.

In the light of the evidence examined some suggestions are made - largely en passant - as to certain conditions that may be necessary if the public broadcasting system in New Zealand is to be able to secure and maintain a degree of real and manifest independence of partisan political influence.

However, this is a secondary consideration, and one that is treated with some caution, for this analysis - which, to reiterate, seeks to explain the demise of a particular organisation - is necessarily constrained by the specific (unique?) circumstances of time and place.⁷ In particular, it is argued that a simultaneous confluence of circumstances had a profound effect on the N.Z.B.C.'s search for autonomy. These were (1) the re-creation of a public corporation (the N.Z.B.C) to administer the nation's broadcasting services; (2) the introduction of television, and the governmental commitment to extend its facilities throughout the whole of New Zealand as quickly as possible; and (3) the introduction in 1962 of a comprehensive broadcasting news service, and the subsequent development of current affairs programmes.

7. For example, financial problems have been central to the difficulties experienced by the public broadcasting system in the years since the abolition of the N.Z.B.C. Such problems, although emerging in the Corporation's later years, were not of such magnitude during the 1960s.

According to Kaufman, "more studies of the deaths of organisations are needed." He argues that most of the literature on organisations is derived from the experience of successful cases (though he does not define what is meant by "successful"): "But one must understand sickness and death to understand health; pathology contains many of the clues to normality. Information about failure is wanting in the study of public administration."⁸ In this thesis, it will be shown that while the N.Z.B.C. was in some important respects a very successful organisation - particularly, for example, in the area of capital development and in maintaining its financial self-sufficiency - in other critical respects it was far less so. It was largely unsuccessful in fostering and sustaining a positive organisational identity founded on a real and manifest independence of governmental influence. As will be argued, this failure stemmed in large part from shortcomings of leadership, but it was also inextricably bound up with statutory, situational, institutional and political factors largely beyond the N.Z.B.C.'s control.

The thesis is divided into four parts. Part One provides an overview of the historical development of public broadcasting in New Zealand. In order to relate it to the principal issues covered in respect of the N.Z.B.C this overview is organised into five chapters. The first sketches the structures of broadcasting control employed from the beginning of nationally-organised broadcasting in the 1920s until about 1960. The second examines the role of news and controversial broadcasting during the same period, while the third reviews the monopoly-competition debate during this time. The fourth chapter discusses the emergence of an explicit philosophy of the role of public broadcasting in New Zealand. Particular reference is made to Professor (later Sir James) Shelley, Director of Broadcasting from 1936 to 1949. The fifth chapter focuses on the establishment of the N.Z.B.C. itself. Part One is essentially an introductory analysis, concerned mainly with the broad canvas rather than with fine detail. (A full political and administrative history of New Zealand public broadcasting has still to be written.) A partial exception is the examination, within Chapter 2, of the N.Z.B.C.'s

8. Kaufman, *op. cit.*, pp. 77-78.

attempts during the 1950s to establish a more comprehensive and independent news service.

In Part Two, attention is focused on the interactions that evolved among three sets of actors: the Minister of Broadcasting; the Corporation itself - or the "Board" as it quickly became known - and, in particular, the Chairman; and the Director-General of Broadcasting. Much of what is discussed in Part Two rests easily with the assertion made in the context of British broadcasting, that, "the whole fascinating history of the B.B.C. could be chaptered around the Directors-General and their respective terms of office. The relationship between Chairman and Director-General provides the real key to the running of the B.B.C."⁹ However, the interactions between these two individuals cannot be considered in isolation from other central actors and institutions: in particular, Parliament, the political executive (Government), the Corporation's journalistic (principally news and current affairs) staff, the press, and the public at large. Part Two, therefore, while concerned primarily with the interactions among the principal actors, examines this interplay with reference to Parliament and Government, and to another important actor, the N.Z. Broadcasting Authority.

Part Three concentrates on questions of administrative leadership, with particular reference to the interplay among the Chairman and the Board, the Director-General, the journalistic staff, the press and the public, with attention to the role of the Corporation's Regional Programme Advisory Committees.

Part Four - comprising a single chapter (plus a summation of the principal arguments contained in the thesis) - examines the Labour Government's decision to abolish the N.Z.B.C.

9. H. Thomas, The Truth about Television, Weidenfeld and Nicholson, 1962, p. 144. See also, Sir Hugh Greene, The Third Floor Front, Bodley Head, pp. 84-5.

Sources

During its existence the N.Z.B.C. generated a large amount of comment in newspapers and other journals. This was particularly so because the 1960s saw the introduction of television in New Zealand. However, very little, if any, of this comment provides insights into those internal activities - particularly the relationships among the Minister, Chairman and Board, and Director-General-with which this thesis is primarily concerned. Much of the information used in this thesis has therefore been drawn from personal interviews conducted by the author with 25 persons who were intimately involved in these activities. Grateful acknowledgement is made of their generous assistance. Their names, former positions, and dates of interview are listed in the bibliography (together with five other persons interviewed or spoken to by the author).

Throughout the thesis interviews (and in two or three minor instances, conversations) between the subject and the writer are cited as, for example, "Stringer to writer, September 30, 1975." The tape recordings and written memoranda of interviews are now held by the supervisor of this thesis, Dr. L. Cleveland of the School of Political Science and Public Administration at the Victoria University of Wellington. All interviews were conducted on condition that the responses of interviewees would be treated as confidential within the supervisory and assessment requirements of the thesis, since many of the issues discussed are still a matter of contemporary controversy and several of the interviewees are still employed within the public broadcasting system.

As indicated in the bibliographical list of interviewees, some interviews were tape-recorded and others were recorded in writing. This did not result from interviewees' preferences (no-one who was asked declined to have an interview tape-recorded), but simply from circumstances of convenience. However, most of the interviews with the central participants - the five former Ministers of Broadcasting (A.E. Kinsella, W.J. Scott, L.R. Adams-Schneider, H.J. Walker and R.O. Douglas); two former

Chairmen of the Corporation (C.A. McFarlane and Major-General W.S. McKinnon); and the two former Directors-General (G.H. Stringer and L.R. Sceats) - were tape-recorded. The third former Chairman, Dr. F.J. (now Sir John) Llewellyn, now lives in London and replied to written questions from the author.

In the text, interview references used in the form of direct quotations, of more than a phrase in length, are taken from tape-recorded material and not from written records (although indirect quotations may also be from taped interviews). All interviews were open-ended, and in some cases (as indicated in the bibliographical list) follow-up interviews were conducted, sometimes months after the original one. This was done in order to develop aspects of the inquiry in light of information provided in the meantime by other interviewees and correspondence. (The process of gathering and interpreting information from interviews was akin to assembling a jig-saw puzzle.) The duration of separate interviews ranged from half-an-hour to about two hours. In the case of interviews recorded in writing, the method generally used was to transcribe the notes into a memorandum immediately following the interview.

In using the interview material the author has been careful to integrate it into the context in which it was discussed in the original interview, although in a few cases remarks used in one context are deemed to be relevant in another. That, in some instances, the interviewee's own comments have been used in criticism of the subject follows from the fact that the author's critical appreciation of some of the issues discussed differs from the subject's, and reflects the author's concern to elicit from the interviewees their own perspectives and opinions.

Although the two Chairmen (McFarlane and McKinnon) were considered by the author to be the principal Board interviewees, by virtue of their closer day-to-day involvement in the issues

examined, it was also hoped to interview or correspond with all six surviving members of the original seven-man Corporation (G.E. Stock died in 1972) because of its collective importance within this thesis. However, this could not be done. Interviews were conducted with C.A. McFarlane and R.J. Laurenson, and replies to written questions were sought and received from R.K. Trimmer; but, while Reeves Harris agreed to an interview, it did not prove to be possible to arrange a convenient appointment (nor did he respond to questions posed in writing); D.F.C. Saxton declined to assist; and no replies were forthcoming from J.B. Price to letters from the author. Apart from Sir John Llewellyn of the original three-man Corporation, the author sought and received replies to written questions from J.A. Stenberg (Reeves Harris was the third member). There were seven other persons who served at various times on the N.Z.B.C Board during the period 1962-72. The third Chairman, Major-General McKinnon, was interviewed on three occasions, and written responses were sought and received from Dorothy P. McNab and M.L. Tronson. The Rev. K.M. Ihaka declined to assist; and no response was forthcoming to a letter sent to J. Collins. Neither B.E. Brill nor B.G. Cathie were approached. The decision not to do so was made mainly in the light of the high degree of cooperation received from Major-General McKinnon.

It may also have been possible (although not necessarily convenient) to interview some of those persons who responded to written questions. The decision not to do so was simply a matter of judgement made in light of the full written responses received from them - particularly D.P. McNab and R.K. Trimmer - and (again) the measure of cooperation received from Major-General McKinnon.

Apart from the former Ministers of Broadcasting, Chairmen and members of the Board, and Directors-General, other interviewees (and correspondent F.W. Dawson, former N.Z.B.C. Controller of Administration) were selected in light of the

strategic importance of their former positions within the N.Z.B.C. (or N.Z.B.S.) as they related to the issues discussed in the thesis; or, as with Sir John Marshall (former long-standing cabinet minister and Prime Minister during 1972), and R.T. Peacock (former Chairman of the Broadcasting Authority), the strategic importance of their positions outside it. An interview was also sought with former Prime Minister K.J. (now Sir Keith) Holyoake. He, however, preferred that the former Ministers of Broadcasting be interviewed in his stead.

In the case of the written inquiries, these were posed by the author in the form of six or seven broad questions. For example, "To what extent, if at all, did the Board as a whole, or individually, consider that too much (or too little) prominence was given to minority groups - e.g. protesting groups, gangs, etc. - in N.Z.B.C. news and current affairs programmes?" (To D.P. McNab, 7 July 1976; and R.K. Trimmer, 7 July 1976). Also, "To what extent do you consider that the (1968/69) reorganisation was successful in serving the purposes it was designed for; and why, or why not?" (To F.W. Dawson, 9 July 1976). Or, "What were your general impressions of the attitudes of politicians towards the N.Z.B.C., and of the then Minister (Mr. Kinsella) and the government in particular?" (To Sir John Llewellyn, 10 October 1975).

As with the taped and written records of all interviews conducted by the author, all letters written in reply to questions posed by the author, together with copies of the letters containing the questions, are now held by the thesis supervisor, Dr. Cleveland. The author records his thanks to those who responded to his written questions.

Newspapers were another major source of primary research material. Working from the General Assembly Library's index of newspaper items on broadcasting, the author gleaned editorial comment and items published during the period 1958-73 in the following metropolitan dailies: The Auckland Star, The N.Z. Herald, The Evening Post, The Dominion, The Christchurch Star, The Press, The Otago Daily Times, and the Dunedin Evening Star. The search also included the

weekly newspapers, N.Z. Truth and The Sunday Times. The General Assembly Library's newspaper files were also used to check editorials and items in other New Zealand newspapers after these references had been revealed to the writer by various sources. Newspaper material was supplemented by a clipping file on New Zealand broadcasting - dating from 1966 and drawn mainly from The Dominion, The Evening Post, The Sunday Times, and the N.Z. Listener - which had been cumulatively compiled by the thesis supervisor, Dr. Cleveland.

The N.Z. Listener files dating back to the journal's inception in 1939 were also an important primary source, as were the files of the N.Z. Radio Record, 1928-39 (although the latter were used primarily to check references provided in A.C. Protheroe's 1946 thesis, cited below). Both sets of files were examined in the General Assembly Library, and the author much appreciated the assistance provided by the Library staff during his research for this thesis.

Files of the N.Z.B.C. house magazine, Relay, covering the years 1963-75 were examined in the Head Office reference library of the then Broadcasting Council of New Zealand.

The author gratefully acknowledges the assistance provided by the Broadcasting Council in making available for research the files listed in the bibliography. As indicated, some of these files were held in the National Archives (a division of the Department of Internal Affairs), while the remainder were still held by the Council. At the time when this thesis was mooted an approach was made in writing to the Council on the author's behalf by the late Professor R.H. Brookes of the School of Political Science and Public Administration at the Victoria University of Wellington. He sought a more general access to the administrative files of the N.Z.B.C. However, this was denied because, as the Secretary of the Council (K.M. Hay) explained, the author "would be following too closely on the heels of history... the timing is simply not right."¹⁰

10. Letter from the Secretary of the Broadcasting Council of N.Z. (K.M. Hay) to Professor R.H. Brookes, 14 July 1975. Held by thesis supervisor.

It was this decision that necessitated the reliance on personal interviews to complement material available from published sources. The final decision to proceed with the thesis was taken once the Broadcasting Council had agreed to make available certain files specified by the author, in particular those relating to the development by the former N.Z.B.S. of the news service, the Service's coverage of general election campaigns, N.Z.B.C. public relations activities, and the work of the Corporation's Regional Programme Advisory Committees. About a year later, further approaches to the Council were made by the author,¹¹ and access was granted to certain specific N.Z.B.C. Board Minutes and associated papers. Following this agreement, the only request turned down by the Council was for access to the 1968/69 report of the management consultants and the Board's decisions on its implementation (see Chapter 8). This was denied on the grounds of the need to protect the interests and privacy of persons discussed in the report, particularly those still working within the broadcasting system. Access to all the Council's file material, and to that held by the National Archives, was granted on condition that any publication of information gleaned from these sources be first approved by the Council (or the appropriate authority, currently the Broadcasting Corporation of New Zealand).

Importantly, a number of documents cited in the thesis were given (for copying) to the author from the personal files of interviewees. These were made available on the understanding that the confidentiality of the sources would be protected. The copies of these documents, which mainly concern the issues discussed in Chapters 7, 10, 11, 12, 13, 14 and 18, are now held by the thesis supervisor. In similar vein, there are one or two instances only in the text where comments of un-named interviewees have been recorded because of the respondents' requests that particular comments not be attributed to them.

11. Letters from author to the Secretary of the Broadcasting Council of N.Z. (K.M. Hay), 12 July 1976, and 13 August 1976. Copies held by thesis supervisor.

All N.Z. Parliamentary Debates on major changes in respect of broadcasting were examined during the years up to and including 1961 - particularly 1931, 1935, 1936, 1937, 1943, 1960 and 1961 - and other volumes were studied which record the various broadcasting controversies during the pre-N.Z.B.C. years (i.e. up until 1962).

The (N.Z.P.D.) records of all Parliamentary debates on broadcasting matters during the years 1962-1973 were scrutinised. In addition, a count of all Parliamentary questions asked of the respective Ministers (in-Charge) of Broadcasting was made, for comparative purposes, between the years 1951-61, and 1962-72. A subject-matter analysis of the Questions asked during the latter period was also carried out (the results of which are included as Appendix G). The research also encompassed all Annual Reports to Parliament - contained in the Appendices to the Journals of the House of Representatives - of the various bodies responsible over a period of 50 years for the administration of the nationally-organised public broadcasting services. These date back to the Report of the Post and Telegraph Department of 1926 (A.J.H.R., 1926, F.1) which reported on the first year's activities of the Radio Broadcasting Company of New Zealand Ltd., through to the 1976 Annual Report of the Broadcasting Council of New Zealand (A.J.H.R., 1976, F.4).

Statutes and amendments pertaining to the establishment and operation of New Zealand's public broadcasting services were also studied.

All volumes of N.Z. Parliamentary Debates cited in the text, together with the years, are listed in the bibliography. Also listed are all the Parliamentary Annual Reports cited; and all statutes, amendments, and governmental regulations referred to in the thesis.

Two other important research strategies used - the calculation of a "prominence index" to gauge the principal espoused concerns of the N.Z.B.C.'s administration, and a survey of opinion among former members of the N.Z.B.C.'s Regional

Programme Advisory Committees - are outlined in the body of the thesis: see Chapters 16 and 17, respectively.

In respect of secondary sources (all listed in the bibliography), particular acknowledgement is made of Ian K. Mackay, Broadcasting in New Zealand, Reed, 1953 (the only published history dealing with questions central to the thesis), and A.G. Protheroe, Broadcasting in New Zealand: Policy and Practice 1921-36, unpublished M.A. (Hons.) thesis, Canterbury University College, 1946. Both were invaluable in outlining the historical background contained in Part One.

Note on Presentation

The need thematically to develop key arguments throughout the thesis has meant that, in general, concepts, ideas and arguments drawn from the theoretical literature have been introduced into the text at points considered appropriate rather than in separate, exclusive chapters. This need, together with the over-lapping nature of the subject-matter, has also meant that few, if any, of the 18 chapters are fully self-contained.

PART ONE - HISTORICAL BACKGROUND

CHAPTER ONE: The Control of Broadcasting in New Zealand, 1903 - 1960

It has been claimed that Richard John Seddon's Liberal Government was the first in the world to legislate for the control of sound waves, when in 1903 the Wireless Telegraphy Act was passed.¹ Under the Act the Government exercised sole authority in setting up stations to send and receive messages by means of wireless telegraphy, "including in that expression every method of transmitting messages by electricity otherwise than by wires, whether such method is in use at the time of the passing of this Act or is hereafter discovered or applied".² Since then, and more particularly since the early 1920s, when experimental radio broadcasting began to flourish, the question of control of broadcasting (both radio and subsequently television) has comprised two main elements: control of a national resource, airwaves, and control of a medium vitally involved in the dissemination of entertainment, information and education.

As far as the former element is concerned, the 1903 Wireless Telegraphy Act established a role for the Government that has never since been challenged. Throughout the history of broadcasting in New Zealand, the postal department, under the Postmaster-General, has been entrusted with the task of allocating frequencies and issuing licences to transmit and receive. However, the question of control of broadcasting, that is control of the dissemination of entertainment, information and education has often been debated. Essentially, debate on control has developed around four issues: whether broadcasting should be owned and operated

1. M. H. Holcroft, "At the Turn of a Knob", in New Zealand's Heritage, Vol.6, pt.81, p.2252.

2 Wireless Telegraphy Act 1903, Section (2).

by private interests; whether it should be owned and operated solely by the state; whether it should be publicly owned but removed from direct political control; and whether the country's broadcasting system should combine two or more of these options.

Although private interests pioneered the establishment of broadcasting stations in New Zealand, at no stage have such interests been given anything approaching a free rein in the development of radio (or television), similar, for example, to that enjoyed by private enterprise in the United States. On the contrary, the predominant thinking has been that private enterprise should have a role to play, if at all, only on the periphery of New Zealand broadcasting. The notable exception to this pattern was the first attempt at nationally-organised radio - the establishment in 1925 of the Radio Broadcasting Company of N.Z. Ltd., by the Postmaster-General (J. G. Coates) in the Reform Government. According to one commentator, prior to the establishment of the Company, "stations were run by radio and electrical supply firms or by amateur associations, none of which were (sic) in a position to spend large sums on development. Indeed, since they were not permitted to raise revenue from listeners, whose licence fees were assigned to the state, the stations were seldom free from financial embarrassment and the whole broadcasting industry was drifting towards an impossible situation".³

(In January, 1923, the Government had brought down the first broadcasting regulations,⁴ in an attempt to bring

3. R. M. Burdon, The New Dominion, Reed, 1965, p.91.

4. These regulations (N.Z. Gazette, 1923, Vol.1, pp.141-151) were the first major manifestation of the extremely cautious approach traditionally adopted by New Zealand governments towards broadcasting. The regulations stipulated, inter alia, that station licences could be issued to individuals only on receipt of a character reference; that "propaganda of a controversial nature" could not be broadcast, but that broadcast matter should be of "an educative or entertaining character such as news, lectures, useful information, religious services, musical or elocutionary entertainment, and such other items of general interest that might be approved by the Minister from time to time."

order to the random establishment of private broadcasting stations. The regulations provided for the issue of licences and the withdrawal of provisional permits.)

The creation of the Radio Broadcasting Company was an attempt by the Government to organise the development of radio services on a Dominion-wide scale, with a base of upgraded facilities in the four main centres. It was intended to avoid the indiscriminate issue of radio transmitting licences that was seen to be occurring in the United States and in Britain.⁵ It could not be said that the new Company represented a commitment by the (conservative) Government to the principle of private enterprise broadcasting. The Company was, in effect, under contract from the Government to provide a service for the whole of New Zealand: and, as the licensee, the Company was obliged "to maintain a broadcasting service to the satisfaction of the Minister"⁶; receiving licence fees were boosted from 5 shillings to 30 shillings, with 25 shillings per licence going to the Company. The Government advanced £15,000 for capital expenditure. The commission was for not more than five years, and under new broadcasting regulations gazetted in 1925⁷ the Company was required to establish one station of 500 watts in each of the four radio districts (Auckland, Wellington, Canterbury and Otago).

There is no need here to provide any detailed account of the operations of the Company - certain relevant aspects will be covered elsewhere in Part One. Suffice it to say that the Post and Telegraph Amendment Act providing for the

5. See N.Z. Parliamentary Debates, Vol.204, p.1075. Coates stated that the reasons for setting up the company included: the low power of existing stations, and the fact that news should be transmitted to people in back-country areas. The thrust of the argument was the need to strengthen and extend radio coverage over the whole of the country.
6. Post and Telegraph Amendment Act 1924, Section 6 (4).
7. N.Z. Gazette, 1925, Vol.1, pp.725-32; Vol.2, p.1966.

establishment of the Company passed through Parliament virtually unopposed, though two years later (by which time the Company was finding it difficult to expand the service as quickly as many people had hoped) voices were being raised against "the private monopoly", and were urging government control.⁸ Nevertheless, in spite of some initial consumer resistance to the 600% increase in the receiving licence fee,⁹ the Company's activities resulted in a rapid increase in licensed listeners: from fewer than 4,000 when the Company began operations, to more than 18,000 by March, 1927. Uncertainty about the popularity of the new medium had by then dissipated; but it had been an uncertainty that had led the Reform Government to hedge its bets in introducing nationally-organized radio. The job was "delegated" to private enterprise, not out of any ideological commitment to the virtues of private investment, but out of scepticism about the use of advertising on radio, and a consequent uncertainty as to whether the state could afford the financial costs of running a radio service. As Protheroe puts it: "It decided that the risk was one which could not be taken by the State, but that a private company, as in Great Britain and some other countries, might be prepared to shoulder the burden of instituting a Dominion service in return for a share of the revenues collected from the radio listeners ... The step was a wise one".¹⁰

8. For example, Opposition member, M. J. Savage, quoted in I. K. Mackay, Broadcasting in New Zealand, Reed, 1953, p.30.

9. According to Mackay, op.cit., p.22, more than 1,000 listeners failed to renew their licences. This was approximately half the current licensees.

10. A. G. Protheroe, Broadcasting in New Zealand: Policy and Practice, 1921-36, Unpublished M.A. (Hons) thesis, Canterbury University College, 1946, pp.147-8. The Postmaster-General in 1931, Adam Hamilton, commented that, "one of the difficulties that always seem to exist where there is State ownership is that the public demand a greater return than they are prepared to pay for with the result that the finances become unsound ... The existing company took a great risk in its first agreement as broadcasting was then in its infancy ... However the risk has been justified, for the revenue now being received by the Company is £80,000 a year". - N.Z.P.D., Vol.230, p.657.

The concept of public control, but with freedom from day-to-day governmental direction, appeared first in the early 1930s, with the passage of the Broadcasting Act 1931 and the inception, on January 1, 1932, of the New Zealand Broadcasting Board. In effect, the Board represented a compromise by the Coalition Government (comprising the United and Reform parties) between demands for private control of broadcasting on the one hand, and for full state direction on the other. The Parliamentary debate on the Broadcasting Act 1931 shows that the main justifications for not renewing the Company's agreement, and for establishing an independent Board were: allegedly poor programmes, the need for more local artists to be given air time, the argument that as listeners were, in effect, paying a tax (the licence fee) for their listening privileges, then broadcasting should be responsible to Parliament.¹¹ A major concern expressed in the debate, however, was the need to expand radio services more quickly and more widely than the Company had been able to do. In particular, there were strong calls for the extension of coverage to rural areas then beyond the reach of the company's transmitters. Undoubtedly, the Government's concern over this issue reflected its reliance on the rural vote.

The Government maintained that a Board would offer all the advantages of non-political control without the disadvantages that would result from private monopoly.¹² Yet the Parliamentary debate on the Bill included little emphasis on the philosophy of public ownership without direct political control. The Postmaster-General (Adam Hamilton), for example, while arguing that, "the business (of broadcasting) is (of) a public nature", went on to say that, "the State must inevitably take a large part in the control if not in the ownership of the whole concern."¹³ Moreover,

11. See N.Z.P.D., Vol.230, p.1931.

12. The Evening Post, August 29, 1931.

13. N.Z.P.D., Vol.230, p.656.

while the Government stressed that its cabinet sub-committee on the matter had unanimously decided that the B.B.C. model should be followed¹⁴ (as with the creation of the Company, New Zealand governments had paid, and would continue to pay, close attention to British broadcasting developments), the Board was not granted the de jure independence allowed to the B.B.C. under its Charter granted by the Royal Seal.¹⁵ In particular, the regulations banning the transmission of controversial material remained in force. The Broadcasting Act 1931 (Section 15) empowered the Board to "carry on a broadcasting service within New Zealand" and "to develop and improve such service from time to time". The financial concerns which had earlier led Government to test the market waters by establishing the Radio Broadcasting Company remained evident. The Government was concerned to ensure that the Board operated within its own income,¹⁶ and was run "on safe business lines, commensurate with giving as efficient a service as possible with the revenue at its disposal".¹⁷ The Government's concern to see the Board operate within its own income was, it may be suggested, based on considerations of efficient business practice rather than on more abstract principals of political independence.

14. See Protheroe, op.cit., p.63. In 1936, Opposition Member, W. J. Broadfoot, commented that, "the previous Government ... brought into existence the best type of broadcasting service that was possible for this country. It followed closely on the lines of that of the B.B.C., which admittedly, was and still is the best run service in the world". - N.Z.P.D., Vol.249, p.98.
15. According to R. H. Coase (British Broadcasting: A Study in Monopoly, Longmans, Green & Co., 1950, p.61), the British Government's reason for establishing a Charter, rather than relying on incorporation under the Companies Acts or by a special Statute, was to emphasize the independence of the new Corporation. An important reason why this was not adopted in New Zealand was perhaps that there was no person with the commitment, political forcefulness and resourcefulness of J. C. W. (later Sir John) Reith - founder and chief executive of the British Broadcasting Corporation - to push for the concept of a Charter. See Coase, pp.54-5.
16. N.Z.P.D., Vol.230, p.658.
17. Ibid.

Nevertheless, the events of 1931/32 were strongly instrumental in shaping the parameters of public debate on the control of broadcasting in New Zealand. Newspaper comment in 1930 on the Government's intention not to renew its agreement with the Company had been unfavourable. The press "thought it unwise to invest public money at a time when conditions were bad and interfere in a venture marked out for private enterprise. Further, they had no confidence in the State's ability to run the service economically and they feared what might happen to freedom of thought and expression if the State took over".¹⁸ On the other side of the argument, the Labour Party by this time had expressed its commitment to direct state control of broadcasting.¹⁹ While critical of the proposal to vest control in the hands of an independent public body, the Labour Party considered the shift from private to public control to be a "step in the right direction".²⁰

By this time, therefore, the debate on control had been decided largely - but not exclusively - in favour of public ownership and control. The predominant political attitude was expressed by a former Postmaster-General, J. B. Donald, during the 1931 debate: "Broadcasting is a public utility, and on that score should be a monopoly of the people. It is created by the people, and therefore belongs to the people ... All profits made out of broadcasting ought to be returned to the public ..."²¹

The issue at stake at this stage was the form of public control to be adopted.

18. Protheroe, op.cit., pp.61-62.

19. For example, in 1927, M. J. Savage asked the Postmaster-General to give the House an opportunity to consider proposals for government control of the whole system.- N.Z.P.D., Vol.212, pp.720-21.

20. Quoted in Protheroe, op.cit., pp.65-66.

21. N.Z.P.D., Vol.230, p.662. Donald was Postmaster-General in the United Government.

In 1936, the Board was abolished by the first Labour Government (elected the previous year). In effect, the Board was turned into a full government department under the direct control of a Minister of the Crown. This form of control was to remain for the next 26 years.

The new Prime Minister, Michael Joseph Savage, had been intent on bringing broadcasting under direct departmental control. He was strongly critical of the political conservatism of New Zealand's newspapers, and of what he saw as their unfair treatment of the Labour Party when in Opposition. Said Savage: "The people are entitled to know the best and the

worst. They should know exactly what Parliament is doing and what the Government proposes to do. The Government has a duty to the people not to keep them in the dark. What the newspapers neglect to do the broadcasting service will do. We have a far-reaching programme and we want the people to come with us everywhere. The Government is going to be the master of publicity. We are not going to wait for the newspapers or the Opposition to tell the people what we are doing. We are going right ahead. That is plain, is it not?"²²

The election of the first Labour Government gave added impetus to what was already a strong tradition in New Zealand.

The point is well made by Wood: "When it (Labour) asserted strongly that power and responsibility must rest squarely with the people's elected representatives, there was already a formidable array of institutions ready to hand, and it was more often a matter of taking a still firmer grip on an existing organization than of creating something new".²³

The Broadcasting Board was one such institution. There seemed, however, to be some confusion between the concepts of public ownership and governmental control: as one minister put it: "this Government ... is certainly going to see

22. The then Prime Minister, M. J. Savage, quoted in N.Z. Herald, June 9, 1936.

23. F. L. W. Wood, This New Zealand, Paul's, 1946, pp.21-22.

that broadcasting is controlled by the people ... by the Government of this country, by the elected representatives. We, the people, the representatives of the people, are going to control broadcasting, not private enterprise".²⁴

Another minister claimed that the previous Government had shirked responsibility by delegating too much authority to statutory boards.²⁵ According to the Government, with direct ministerial control there could be no argument where responsibility lay; the activities of the new government department could be criticized and defended in Parliament.²⁶

It may be said, in summary, that in bringing the country's nationally-organized²⁷ broadcasting service under the direct control of a minister, the Labour Government was motivated by three main considerations: a desire to counter-balance the political conservatism of the country's daily press; a philosophical or programmatic commitment to public ownership and control of the medium; and, concomitant with the latter, a belief that this control should be directly exercised by the elected Government of the day.

In New Zealand today, the argument as to whether the public broadcasting system should be run as a full government department is something of a dead issue. In 1936, however, while the Opposition charged that placing it under direct governmental control would mean party political control of the medium - "another step towards Hitlerism"²⁸ - there was little public opposition to the Government's move. Mackay points out that,²⁹ "the press opposed the Government on all points and claimed to represent public opinion". The press's claim to represent public opinion may

24. The Postmaster-General, F. Jones, N.Z.P.D., Vol.245, p.754.
25. The Minister of Education, P. Fraser, N.Z.P.D., Vol.245, p.772.
26. N.Z.P.D., Vol.245, pp.785-6.
27. As will be shown in Chapter 3, by 1936 the nationally-organized broadcasting service was not a monopoly but existed in conjunction with a number of privately-operated B stations.
28. N.Z.P.D., Vol.245, p.754.
29. Mackay, op.cit., p.75.

well have been conditioned, however, by the Government's announced intention to introduce commercial broadcasting in New Zealand, to be run by a new department which would compete with the newspapers for advertising revenue.

The Labour Party's decisive electoral victory the previous year, coupled with the public's hope for decisive Government action to combat the depression of the 1930s, were factors that attenuated any arguments against the likelihood of party political control of broadcasting. In addition, the public was disenchanted with the service offered by the Broadcasting Board: "their failure made the vision of Ministerial control appear as a welcome alternative, that would at least be amenable to some form of listener control through Parliament."³⁰ The Government did not ignore charges that it would be in a position to use the radio services for its own political purposes, but the prevailing climate of public opinion meant that it could easily counter the arguments of those who took this view. Assurances were given that the Government had no such intention;³¹ and the Government argued persuasively that the members of the old Broadcasting Board were themselves political appointees who

30. Mackay, op.cit., p.57. Protheroe (op.cit., pp.142-3) has commented similarly: "Labour had received a mandate at the election to correct and improve features of the administrative structures which did not meet with the approval of the majority of the people. Hence the country accepted the change in a much more moderate manner than it might have done if the legislation had been introduced much later in Labour's term of office".

31. Said the Minister of Education, P. Fraser: "No Labour Government, standing for the principles that Labour has stood for and popularized, could do any such thing ... If Labour kept its opponents off the air, how could the people weigh up the soundness of Labour's arguments and the unsoundness of those of its opponents?" - N.Z.P.D., Vol.245, p.771.

could not be relied on to act in an impartial manner.³²
 (This question would become of crucial importance during the years of the N.Z. Broadcasting Corporation.) The Opposition argued for the retention of the concept of the independent public board, quoting the 1935 Ullswater Report on the B.B.C., on the basis of which the Corporation's Charter had been renewed for 10 years. The Government remained unimpressed, one of its members arguing that the British system was "in many respects, a washout from the point of view of progress and ability to keep in touch with the common people".³³

Criticism was also made of the provision in the Bill, and later in the Act, for the appointment of a Director of Broadcasting whose three-year term would be renewable at the pleasure of the Governor-General in Council, in effect the Government.³⁴ Clearly, this could be seen as a means of ensuring that administrative leadership in broadcasting did not move in directions which the Government might find undesirable. This provision remained until the Act was repealed by the Broadcasting Corporation Act, 1961.

32. J. A. Lee (N.Z.P.D., Vol.249, p.95) charged: "On the Board was a gentleman called Livingstone, a prominent member of the Reform executive ... there was also a man named Vickery ... I am informed that he was a great Reformer. I have seen workingmen on the soap box on the Auckland wharfside, but never have I seen George R. Hutchinson on the Labour soap-box. He also was a member of the Board with political associations". The three men in question were H. G. Livingstone of Christchurch, appointed to the Board in 1935; H. D. Vickery of Wellington who had been Chairman of the Board since its inception; and G. R. Hutchinson of Auckland, who was a member throughout the whole period of the Board's administration.

33. N.Z.P.D., Vol.245, p.113. For the debate, see pp.748-774; 779-820; 821-840.

34. Broadcasting Act 1936, Section 5.

In the meantime, it provided a convenient stick with which to beat the Government's broadcasting policies. For example, in 1946 an Opposition Member, F. W. Doidge, charged that, "it was clear that the Director possessed no real control of the service, which had become the plaything of politicians ... the Director was merely an animated pawn on the political chessboard. If a Minister wanted the air, all he had to do was to ring the Director and tell him to hold everything and clear the deck".³⁵ But the provision was not altered when Doidge himself became Minister in Charge of Broadcasting after the 1949 election.

One writer has commented, "If men conceive of radio as a powerful means for human communication, they are likely to advocate a different policy for its development and control than if they regard it as a vehicle for the lightest and most casual entertainment, something that makes few lasting impressions."³⁶

During the early days of radio experimentation in New Zealand, the medium was seen primarily as a form of entertainment, although the 1923 and subsequent regulations banning controversial material indicate that well before the mid-1930s New Zealand politicians were wary of radio's political potential. By 1935, when the first Labour Government came to power, both major parties had come to "conceive of radio as a powerful means for human communication", and had concluded that the state should have its hands on the levers of control. Once the Broadcasting Board had been transformed into a full government department, for 26 years no Government - Labour or National - was keen to alter this form of control. In 1945, the Labour Party's annual conference rejected a remit calling for a broadcasting commission to be established in place of the department.³⁷

35. N.Z.P.D., Vol.275, p.419.

36. F. W. Peers, The Politics of Canadian Broadcasting, 1920-1951, University of Toronto Press, 1969, p.14.

37. The Evening Post, November 15, 1945, reported that, "the subject was strongly debated when a recommendation for the change was introduced on behalf of the education and publicity committee by Mr. F. L. Combs. The conference endorsed remits that the standard of broadcast programmes should be improved; and it was decided to ask that additional facilities should be given for discussion of controversial subjects".

Throughout Labour's first period as the Government, and particularly in election years, there were intermittent calls for the structure of departmental control to be broken. The N.Z. Herald was a principal protagonist. In 1949 the paper commented editorially on the retirement of the Director of Broadcasting, Professor James Shelley:

"Although Professor Shelley is leaving, the present unsatisfactory system of control will remain. Indeed only a change of Government offers hope of anything better ... the service will continue to be in every sense a Government department ... there is little evidence to suggest otherwise that all decisions ... often on minor matters ... are made by Cabinet."³⁸

During the election campaign of that year, the Leader of the Opposition, in promising "to remove the present abuses of the use of broadcasting" would say only that the possibility of placing broadcasting under independent control would be "closely investigated."³⁹

A furore developed when the Prime Minister, Peter Fraser, let it be known that only he, and not the Leader of the Opposition, would broadcast to the nation on the eve of the election. The decision was defended by a prominent government member (M. H. Moohan) on the grounds that the Government was responsible to the people and should therefore exercise broadcasting privileges to the full on election eve.

38. N.Z. Herald, April 18, 1949. The Herald's attitude to the broadcasting service is exemplified by comments contained in an editorial three years earlier: "It would be easy to discuss programme policy in detail, but such matters are irrelevant so long as the whole service remains under direct Government control. New Zealand is unhappily unique in this respect. He (Mr. Savage) regarded broadcasting almost entirely as a powerful instrument of party rule and endeavoured to make it so, ignoring its wider and more legitimate functions in a modern community. Since his death, Government control and ministerial interference have operated to hamper the usefulness of the service by cultivating mediocrity, discouraging innovations and originality, delaying action and failing to use the air as a medium for the exchange of opinions by members of the general public". - N.Z. Herald, May 13, 1946.

39. Reported in The Auckland Star, November 22, 1949.

There was editorial protest from some newspapers, the Timaru Herald urging the National Party to consider "handing the Broadcasting Service to the people in the form of a trust entirely free from political control".⁴⁰

National won the election and remained in office until 1957. But no change in the control of broadcasting was made. Odd incidents took place during the years of departmental control which sparked off controversies on the subject (some of these will be referred to in Chapters 2 and 4); but public concern was at no stage aroused to such a pitch that the question became a serious election issue. Criticism was sporadic, and often limited to those - like newspaper interests - with particular axes to grind, or to detached observers whose opinions were ahead of general public attitudes (assuming that such attitudes had been coherently formulated).⁴¹ It was the advent of television that rekindled debate on how New Zealand's broadcasting services should be structured and controlled.

The type and extent of political control that was exercised over the New Zealand Broadcasting Service (as it came to be called⁴²) during its 26 years will be examined in more detail during

40. Timaru Herald, October 6, 1949. See also, for example, The Dominion, November 22, 1949.

41. In the main, criticism of the fact that the country's radio services were under direct ministerial control originated in certain newspapers and among contributors to the literary journal, Landfall. For example, J. C. Beaglehole (Landfall, Vol.2, No.4, December, 1948) wrote: "The N.Z.B.S. disposes of such power that it might be wise to take certain precautions. It might conceivably make a better set-up if the Broadcasting Service ceased to be a government department and if it, and the orchestra (the National Orchestra), and a conservatorium, and a national theatre, all became semi-autonomous organisations responsible to some sort of Ministry of Fine Arts". See also, for example, E. A. Olssen, "Some Aspects of New Zealand Broadcasting Policy", Landfall, Vol.4, No.2, June, 1950.

42. The government department set up by the Labour Government in 1936 to administer the broadcasting services originally comprised the National Broadcasting Service and, some months later, the National Commercial Broadcasting Service. The two divisions were amalgamated under a single director in 1943, and three years later the department was renamed the N.Z. Broadcasting Service.

Chapters 2 and 4. But to conclude this chapter two observations may be made. Firstly, in regard to news and controversial broadcasting, the only substantial research done on this area during the period of departmental control concluded that, "with the exception of the direct broadcasts of Parliamentary proceedings, the programmes of the N.Z.B.S. do not feature a great deal of domestic political material, and with certain specific exceptions, such political matter as is broadcast is presented with reasonable impartiality and balance. It is only in times of political stress that the Government's control of broadcasting is clearly exercised".⁴³ The "only" is obviously a most important qualification, for in times of "political stress" it is most likely that the clash between conflicting ideas and opinions will be intensified, and the need for independent and impartial treatment in the media more keenly felt.

Secondly, as far as the philosophy of broadcasting is concerned, an important consideration is the expectations brought to the task by the organisation's top executive - in this case the Director of Broadcasting - and the way in which these expectations relate to those of the Government of the day, and of the public. In this regard, it can be argued that while politicians had become increasingly aware of radio's real or perceived political potential, the function of broadcasting in society was seen at the directorship level as being the dissemination of entertainment, and educative material, comprising in particular top quality musical performers and performances, and drama.

Thus, the question of independence from direct political control is best viewed not solely or primarily as a clash

43. T. H. Qualter, Political Propaganda as Broadcast by the National Stations of the New Zealand Broadcasting Service, unpublished M.A. thesis, Victoria University College, Wellington, 1951, p.36.

between political interests seeking to use broadcasting for partisan aims, and a broadcasting executive strongly imbued with ideals of impartiality, fairness and independence, but rather as a tension - endemic in parliamentary democracies - between the political dilettante, and the administrative professional.⁴⁴ In this case, the tension may be seen to have arisen not so much from a professional concern with the political functions of radio, but with its integral role in the nation's cultural life. In short, while politicians may have been wary of radio's political potentialities, the broadcasters themselves viewed political "interference" as an impediment to the pursuit of the organisation's objectives - objectives defined in terms of largely apolitical, entertainment, educative and cultural criteria.

44. This opinion is based largely on a personal interview with a former Assistant Director of Broadcasting (1949-1958) and Director (1958-1961), J. H. E. Schroder, on August 26, 1975.

CHAPTER TWO: News and Controversial Broadcasting

In his comparative study of broadcasting organizations, Anthony Smith has commented that, "no department in any

broadcasting organization ... is as carefully scrutinised and supervised as that which is responsible for news. It is the most vulnerable point in the broadcasting structure because it is the point at which the problem of making the actual product, programmes, overlaps with the security of the organisation itself. The decisions of the man in charge of news can damage the entire enterprise by prejudicing it politically or financially."¹

The problems of which Smith speaks generally did not become real for New Zealand's broadcasting administrators until the 1950s, and more especially, until the N.Z.B.C. came into being in 1962. Prior to the inception of the N.Z.B.C., news and controversial programming had existed only in the most rudimentary form.

As noted in the previous chapter, right from the outset of licensed radio broadcasting, Governments had imposed and maintained severe restrictions on the broadcasting of controversial material.² Judged by the standards of today, when the democratic functions of public broadcasting are accepted as part of the conventional wisdom, the earlier regulations appear abhorrent. But broadcasting then was seen in a different light. "The prohibition caused little concern at that time: broadcasting was still in its infancy and during the few hours which the stations spent on the air ...

1. A. Smith, The Shadow in the Cave: A Study of the Relationship Between the Broadcaster, His Audience and the State, Allen and Unwin, 1973, p.75.
2. See previous chapter. In 1925, new regulations extended the restriction on controversial matter to include anything "of a seditious, profane, obscene, libellous or offensive nature". Regulations promulgated in 1932 reiterated the obligations laid down earlier. It is interesting to note, too, that when the B.B.C. was established it was forbidden to broadcast "by speech or lecture ... matter on topics of political, religious or industrial controversy." The ban was lifted "experimentally" in 1928 and was not reimposed. See Burton Paulu, British Broadcasting in Transition, Macmillan, 1961, p.94.

the listener was regaled with gramophone records and occasional items by local entertainers".³ The ban on controversial matter resulted not so much from any politicians' fears that the new medium might evoke a challenge to existing values and assumptions about the nature of authority and society at large, but rather from eagerness to ensure that, as a vehicle for public entertainment and enlightenment, it did not give offence to any individual or group. These regulations are, in hindsight, of interest not for what they prohibited broadcasters from doing, as for their reflection of the prevailing social attitude towards the role of broadcasting in the community.⁴

Nevertheless, radio was seen to have some role in the dissemination of information; indeed, it was soon realized that it could communicate information to rural areas far more effectively than could newspapers. It was this realization that prompted the emergence of a rudimentary radio news service. The pragmatic, utilitarian impulse behind the embryonic news service was apparent in the earliest Governmental thinking on nationally-organized broadcasting. By 1932, when the Broadcasting Board had superseded the Radio Company, the purpose of radio news was clearly spelled out: "the

news service is regarded as being primarily a service for country listeners, and every effort was made to include matters of interest to rural dwellers. By the courtesy of the daily newspapers in the four main cities, in addition to arrangements made by the Board itself, market reports and other items of interest to primary producers were broadcast regularly throughout the year."⁵

3. Protheroe, op.cit., p.120.

4. This, of course, was a real political consideration in itself. As Burdon points out, "It was no doubt politically expedient to play for safety, but anxiety to avoid all possibility of giving offence to any section of voters was responsible for a form of censorship both prudish and timid." R. M. Burdon, op.cit., p.309.

5. Annual Report of the N.Z. Broadcasting Board, for the year ended December 31, 1932, p.3. In its Annual Report two years later, the Board emphasized that "special care is taken to make the news of value to primary producers, and to that end full reports of cattle sales and of prices of produce are broadcast regularly" (p.3).

Clearly, "news", rather than signifying information about "hard" political and social events from at home and abroad, meant non-controversial, functional, data provided as a service to the farming community. True, there was overseas news by the 1930s, but this consisted almost exclusively of B.B.C. bulletins received from the Corporation's external services transmitters. A letter⁶ from the Board's General Manager, E. C. Hands, to Board member, G. R. Hutchinson, illustrates the tight control that the then United Press Association was determined to maintain over its monopolistic position. In response to "a suggestion that they (U.P.A.) supply us (N.Z.B.B.) with cable news", the Association stipulated that the amount provided would not exceed 200 words per day; it would be drawn in equal portions from morning and afternoon papers; no cables would be broadcast prior to publication; the broadcasting of cable news would not exceed five minutes' duration; the service would be exclusively from the Association; and acknowledgement of copyright and supply would be provided by the radio authorities. The stipulations support the opinion of C. G. Scrimgeour, then a controversial figure on the broadcasting scene,⁷ who has claimed that the Government and the press in the early 1930s set up a united front against broadcasting: all the restrictions were calculated to emasculate anything that might be competitive with newspapers or with Government policy.⁸

The ban on controversial material also meant that talks sessions were severely inhibited. As Protheroe summarizes: "... it could not be claimed that the general talks given by New Zealanders to their fellow countrymen through the

6. Dated February 5, 1935.
7. Scrimgeour controlled the "Friendly Road" radio station, 1ZB Auckland. Following the advent of a Labour Government he became Controller of the National Commercial Broadcasting Service until he was ousted from the position in 1943 by the Prime Minister, Peter Fraser. See C. G. Scrimgeour, J. A. Lee and Tony Simpson, The Scrim-Lee Papers, Reed, 1976.
8. Taped radio interview with Scrimgeour, by Radio New Zealand, circa 1975, held in broadcasting archives, Timaru.

stations were all that could have been desired. The Board had never to forget that it must on no account broadcast talks on controversial subjects. Hence there was a limitation to the number of subjects to be discussed over the air, and the blue pencil erased those portions of scripts which ventured on the forbidden ground."⁹

An indication of the way in which the ban on controversy was interpreted is provided by Mackay:

"... the N.Z. Broadcasting Company during its last few months of existence completed arrangements to broadcast debates on such subjects as 'That Unemployment is Due to Private Capitalism', 'That the Samoan Mandate should be Surrendered', 'That the Russian Revolution has Justified Itself', 'That Capital Punishment should be Abolished', 'That Total Disarmament for New Zealand would be a wise policy'. Some of these debates were actually broadcast but, when the New Zealand Broadcasting Board assumed control, the arrangements were cancelled and the regulations were again rigidly enforced."

He notes further that, "To coincide with (George Bernard) Shaw's visit, the Christchurch B station, 3ZM, completed arrangements to broadcast extracts from Shaw's works and in particular Androcles and the Lion, but the local radio inspector banned the broadcast as controversial."¹⁰ (Until responsibility for supervising programme content was vested in the Board in 1935, enforcement of the regulations was carried out by the Post and Telegraph Department.)

By the mid-1930s, however, the situation was changing. The depression had created social strains which raised the level and intensity of political debate in New Zealand. A Broadcasting Board which was unable (and perhaps unwilling) to provide a platform for these diverse views appeared incongruous.¹¹

9. Protheroe, op.cit., p.83.
10. Mackay, op.cit., pp.116-118.
11. There had been at least one outburst of public indignation against the strict interpretation of the controversy ban. In September, 1934, a series of bi-weekly talks delivered by the British-Israel Association over Station 1ZM Manurewa was suddenly stopped. After protests had been expressed via the House, the Government withdrew the Post and Telegraph Department's prohibition which, it was claimed, represented religious discrimination. - Mackay, op.cit., p.117.

The Government of the day was conscious of the dilemma,¹² and in 1935 a Broadcasting Amendment Act was passed removing the ban on controversial broadcasting. Instead, the Board was given supervisory powers and censorship rights over the programmes of all the hitherto independent B stations.¹³ One of these, Auckland's 1ZB, under the control of the controversial C. G. Scrimgeour, had found in its "Friendly Road" programme an ingenious means of circumventing the "no controversy" ban, to the embarrassment of the Board, whose attitude is demonstrated in a letter from the Board's Chairman, H. D. Vickery, to the Postmaster-General, Adam Hamilton. Although it is not clear that the letter refers to Scrimgeour, it contains significant comment, and may be quoted at length:

"My Board has just discussed the Friendly Road Services ... The principle underlying the whole matter can ... be briefly epitomised in the statement that no individual or religious body should be given a monopoly or quasi-monopoly in broadcasting from any station. The potential power given to any person granted such a facility can be realised, we feel, only by those experienced in broadcasting. Already, the Board has had several instances of the danger of permitting any individual to develop what - for want of a better term - is usually called radio personality. Many religious bodies and persons claim ... that they have a message to deliver and seek broadcasting facilities; in some cases

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12. In a letter of May 21, 1934, the Postmaster-General, Adam Hamilton, wrote to the Chairman of the Broadcasting Board, H. G. Vickery, stating: "There are many subjects which, although controversial in character, are of an informative, interesting and amusing nature, and it is thought that broadcasts on these should be permitted. It is also recognised that in connection with some highly controversial matters listeners would be interested to hear both sides, and in such cases it might be desirable to permit this. Of course, extreme care would have to be exercised in seeing that a broadcast was not approved on any topic that might be offensive or objectionable to public taste, or which reflected on any individual, group, or organisation." Even though it is clear the Postmaster-General felt the Board was too restrictive in its interpretation, the caveat mentioned by Hamilton would scarcely have encouraged any major liberalisation on the Board's part.

13. Broadcasting Amendment Act 1934-35, Section 6.

they demand those facilities. Once a sufficient following is obtained, it becomes a difficult, if not an impossible task, to exercise reasonable control over the individual. We feel strongly that it is impossible to gauge the reaction on both Government and the Board should the gentleman in question be given the desired facilities. My Board is anxious to aid Government in every possible way in dealing with a most difficult problem, but considers it its duty to stress the extreme danger of establishing a precedent inimical to broadcasting and full of potential trouble to established authority."¹⁴

The letter suggests that, by the mid-1930s at least, the political implications of radio were becoming well understood by politicians. This is confirmed both by the notorious jamming of 1ZB on the eve of the 1935 election,¹⁵ and by the stance taken by the Leader of the Opposition, M. J. Savage, in regard to the Amendment Act of 1935 and

14. Letter dated December 19, 1933. Scrimgeour recalls (taped interview, op.cit.) that permissibility, under the regulations, of religious broadcasts enabled him to broadcast political comment in the guise of religious sermons. He could do this by quoting passages from the Bible which he felt were applicable to the economic depression in New Zealand. For example, he spoke of money-lenders being "a generation of vipers". According to Scrimgeour, the Government had no objection to such addresses when they had not been clearly applicable to the circumstances of the day, but once it became apparent that radio was being used to promote views different from those conveyed in the conservative press, his "sermons" were seen to be "very highly subversive".
15. In short, Scrimgeour's 1ZB transmitter was jammed by Post Office equipment on the eve of the 1935 election, when it was thought he was about to make a broadcast highly critical of the Government. The Postmaster-General, Adam Hamilton, later accepted full responsibility for the incident, stating that Scrimgeour "had to be stopped if he over-stepped the mark". See Scrimgeour et al., The Scrim-Lee Papers, op.cit., pp.41-52. According to L. Hobbs, The Thirty-Year Wonders, Whitcombe & Tombs, 1967, pp.148-9, "This sensational incident was a milestone in New Zealand politics - final proof of the importance of broadcasting".

the function of broadcasting generally.¹⁶ The letter also suggests that there were political linkages between the supposedly impartial Broadcasting Board and the Coalition Government of the day.

Considered in isolation these factors are interesting in themselves, but they have a wider relevance in the context of New Zealand's broadcasting history. The broadcasting authorities continued for many years - certainly right through the period of the N.Z.B.C. - to be cautious about the emergence of popular radio personalities, particularly where their following might have political implications. This caution reflected the rather closely-knit, intimate nature of New Zealand society with its strong egalitarian ethos which has tended to suppress public acceptance of individual excellence and to foster what has been described as "a world made safe for mediocrity".¹⁷ Also, it is possible here to perceive the emergence of a perennial tension in public service broadcasting: the need to acknowledge and develop broadcasting's political and social roles in a democratic society, and the imperative of organizational maintenance and survival. As Smith points out,¹⁸ it is in the field of news and controversial broadcasting that the democratic function finds expression, but the rationality that underlies this function is always likely to clash with the rationality of organizational maintenance. For maintenance resources are ultimately provided by government - and governments are not always left unscathed by impartial and independent broadcasting news services.

16. In 1931, Savage proclaimed (N.Z.P.D., Vol.230, p.661): "As an educational facility broadcasting is unsurpassed. Some day we may even have a microphone on the roof of this chamber to enable the people to know how their representatives are shaping in this House. Of course it may be to the disadvantage of some of us, but we will have to put up with that. However, I would sooner put up with the publication of my remarks over the air than with the reports which I read in the newspapers".

17. L. Lipson, The Politics of Equality, University of Chicago Press, 1948, p.493.

18. Anthony Smith, loc.cit.

As shown in the previous chapter, the new Labour Government in 1936 tackled the problem of governmental-broadcasting relationships head on. While in Opposition the new Prime Minister, M. J. Savage, who also filled the newly-established post of Minister in Charge of Broadcasting, had declared that a Labour Government would introduce an "alternative means of publicity" to the conservative newspapers. He had argued, further, that controversial topics were "one of the things the Government should control". The Coalition Government's move in 1935 to hand this control to the Board was seen by Savage not as a means of securing independence from political control but as a governmental abrogation of responsibility. The Government was "arming the Board with the authority to muzzle one of the greatest means of publicity in modern times".¹⁹ (An editorial comment in Dunedin's Evening Star of September 26, 1935, is suggestive both of the political effect of the ban on controversial broadcasting and of Savage's hostility towards the press. Said the paper: "Mr. Savage is hurt because a summary of the Budget was broadcast last week, and not his criticism of it. The difference between the two things should be plain. The summary of the budget was news; the criticism was no more than opinion".)

The Labour Government's decision in 1936 to introduce direct broadcasts of Parliamentary proceedings was a unique innovation,²⁰ but it also reflected what today would seem an unenlightened attitude towards controversial broadcasting. The Government's view was that the only legitimate arena of political debate and controversy was Parliament. Therefore, radio's democratic function would be fulfilled by direct

19. N.Z.P.D., Vol.241, p.337.

20. See Lipson, op.cit., p.348.

broadcasts from the House.²¹ Parliamentary broadcasts thus became a surrogate for genuine news and controversial programming, as indicated when the Minister of Finance, Walter Nash, in reply to a Parliamentary question regarding controversy on the air, argued that, "there is no country in the world where the people get all sides as they do through the proceedings of this House."²²

Savage's concern that his Government should effectively convey its message to the electorate brought forth the "Sunday Evening Talk" on the national stations, often with the commercial stations in link. These talks initially provided a platform from which the Prime Minister himself addressed the nation; later, they were given by other speakers in largely non-controversial form.²³

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21. Said the Minister of Education, P. Fraser (N.Z.P.D., Vol.245, p.775): "The Labour Government is introducing this Bill for the purpose of putting broadcasting on a better footing than it has ever been on before, to make the discussion of controversial matters, political or otherwise, over the air, as fair, impartial and informative as possible, so that the people can form intelligent opinions."
 22. N.Z.P.D., Vol.260, p.530. The questioner had charged that "when controversial subjects were discussed over the air, opportunity should be given to state the other side. Broadcasts relating to Government policy were put over without an opportunity for reply".
 23. Savage himself spoke each Sunday evening until a few weeks before his death in 1940. His talks were entitled, "New Zealand's Problems as I see them". For an analysis of the "Sunday Evening Talk" see Qualter, op.cit., pp.26-31. He argues that, "The S.E.T. which could have developed into a regular serious commentary on all manner of local and international problems has, with some notable exceptions, degenerated into 15 minutes of conventional platitudes and cliches. Too many of the speakers are so determined that at all costs they shall be impartial, and shall refrain from offending anyone, that all life disappears from what they have to say. There is no evidence of any deliberate censorship in this matter" (p.27).

The Government took other steps to ensure that the public was informed about the administration's policies and intentions. In 1938, it introduced "a short daily Government news service" over the four main national stations, to ensure that "listeners receive first-hand information on Government and departmental activities".²⁴ This service, which supplemented the existing news session (comprising cable news, items from the B.B.C., and from local newspapers) was provided by the Information Office of the Prime Minister's Department. As Savage told the House, "it was only a question of getting the news out, and nothing went out without his own authority ... The Reference Officer was responsible for compiling the broadcast, but in the last analysis he himself was responsible for what went over the air".²⁵

Thus, by the time of the Second World War, news and controversial broadcasting on New Zealand radio was barely in an embryonic stage of development. The Government depicted news as consisting of officially-originated material to offset a conservative press, and controversy as being the clamour of Parliamentary debate.

The war brought an upsurge of interest in international news and by December, 1939, the National Broadcasting Service transmitted eight B.B.C. news broadcasts each day. In September, 1940, a 20-minute daily bulletin was established which included items drawn by the Broadcasting Service from B.B.C. news broadcasts, the British Official Wireless News, the Prime Minister's Department, Press Association cables, and talks and official statements.

Throughout the war years strict censorship was imposed on newspapers and radio, and there was little scope for free

24. Annual Report of the N.B.S. for the year ended March 31, 1938, p.3.

25. N.Z.P.D., Vol.252, p.442.

expression of dissenting views on topics of public concern.²⁶ It is not unreasonable to suggest that censorship during the war years helped to perpetuate, in peace time, public acceptance of tightly-controlled news and current affairs programming, and blunted public demand for a more vigorous and independent service.

Until the creation of a comprehensive broadcasting news service by the N.Z.B.C., in 1962, the 9 p.m. news drew overwhelmingly on official handouts. Independent coverage of topics and events around the country was only sketchily developed. One commentator opined in 1953 that, "with the possible exception of South Africa, the news sessions broadcast by the YA stations are the worst in the British Empire and Commonwealth". He also noted that the ZB stations "are the only commercial network in the world with no news sessions whatsoever."²⁷ (His emphasis.)

As far as current affairs or controversial broadcasting was concerned, the picture was little different. A Supervisor of Talks had been appointed in 1935, and until well into the 1950s the emphasis was on bringing distinguished overseas guests to the microphone to expound on topics that the Service felt New Zealanders should, or would like to, know about.²⁸

26. According to W. B. Sutch, Takeover New Zealand, Reed, 1972, p.43, the censorship was "much heavier" than existed in Britain. The Director of Publicity, responsible for censorship, was J. T. Paul, a former trade-union official and long-time Labour Party member. According to Hobbs, op.cit., p.152, the Prime Minister, P. Fraser, "had a fetish about keeping up morale by keeping news of any unrest away from the public - his system worked".

27. Mackay, op.cit., p.11.

28. For example, in its Annual Report for the year ended March 31, 1938, the National Broadcasting Service commented that, "whenever possible, notable visitors to the Dominion have been induced to broadcast talks, generally on subjects on which they are authorities. In this way listeners have been afforded the opportunity of hearing authoritative views on many important subjects" (p.3). This trend was especially strong during the war years, the N.Z.B.S. noting in its Annual Report of March 31, 1946, that, "The number of visitors who spoke to New Zealand through the Service, either at official receptions or in special talks, or both, was the greatest in recent years".

By 1955, this approach had changed somewhat. Increasing emphasis was being placed on giving New Zealanders access to the microphone to discuss topics of interest.²⁹ There was, however, little progress made towards lively, probing, current affairs programmes which would reflect cross-currents of public opinion and interest. International events were covered by one programme, but domestic current affairs were neglected. (International affairs were covered by the weekly Saturday night commentary, Lookout. Qualter says of this programme: "(it) is ... the best example of an N.Z.B.S. programme of regular, informed talks delivered by competent speakers who, though they may be individually partisan, yet when taken together present a reasonably balanced picture of world events. The only place where there could be censorship in this programme would seem to be in the selection of speakers and in the selection of topics for discussion. The decision in these matters appears to be one for the Broadcasting Service alone. There is no evidence so far of any Government direction on these questions".³⁰)

It is particularly interesting to note that "balance" on a commentary programme dealing with overseas affairs could be achieved over a number of programmes. This policy was clearly not permissible where domestic topics were concerned.

Commenting on developments in controversial broadcasting, the Service noted in its Annual Report of March 31, 1948, that, "The aim ... whatever the method of presentation, is rather to stimulate public thought and discussion than to reach conclusions. Speakers were carefully chosen to give as nearly as possible a balanced presentation of the various

29. The N.Z.B.S. recorded in its Annual Report of March 31, 1955, that, "New Zealanders and New Zealand subjects were given prominence in the talks broadcast last year. This shift of emphasis - continuous over the past few years - has been achieved by the more selective use of recorded talks from abroad ... Within the Dominion new fields have been explored and new speakers discovered" (p.11).

30. Qualter, thesis, op.cit., p.33.

aspects of the question under consideration. In this way the subject was fully opened up, and by the end of the session listeners were equipped to carry on their own discussions at home". This was the concept of programme "balance" that was perpetuated well into the time of the N.Z.B.C., being modified only in the late 1960s and early 70s.

While there was spasmodic concern over this shortcoming of the radio services, at no stage was there any major public outcry either against the reality of a news service subject to Governmental supervision, or for a more vigorous and effective current affairs effort by the N.Z.B.S. The most frequent charge against the Service was that it was timid and too afraid of offending politicians and other powerful interests.³¹

If a society may be judged as being democratic according to whether its news media provide open and impartial channels for the communication of information and debate on public issues then, until the 1960s at least, New Zealand was decidedly undemocratic. Two examples from the 1950s are illustrative.

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31. Some examples of the criticism directed at the N.Z.B.S. are illustrative of the awareness, among a small minority in society, of the deficiencies of New Zealand radio. Keith Jackson ("TV and Democracy", Landfall, Vol.14, No.3, September, 1960) charged that, "the present broadcasting service is so wary in handling controversy as to make nonsense of the assertion that the principles of democracy are based on the interplay of opinions, tolerance and fair play, together with an informed electorate. The broadcasting of parliamentary debates, though very valuable, is not in itself a sufficient substitute for the live discussion of important controversial topics affecting the New Zealand scene" (pp.291-2). See, also, L. Constable, "Controversy on the Air", Landfall, Vol.10, No.3, September, 1956; "Notes", in Landfall, Vol.12, No.3, 1958. Importantly, J. H. Hall, formerly Supervisor of Talks with the N.Z.B.S., and later Assistant Director (Programmes) conceded (to writer, August 4, 1975) that errors of omission rather than commission were the general rule in controversial broadcasting - the prevailing attitude was, "we ought to do it, but it may cause trouble". Caution prevailed, lest politicians, in particular, were antagonised or upset. For other charges, see T. P. Shand in N.Z.P.D., Vol.324, pp.2640-1; and H. E. L. Pickering, N.Z.P.D., Vol.329, pp.3422-3.

In May, 1956, the National Government's Minister in Charge of Broadcasting, R. M. Algie, supported an instruction from the then Director of Broadcasting, William Yates, that proposed panel discussions on the feasibility of power transmission from one island to the other were to be cancelled.

The Minister commented that: "The Government had set up a committee to investigate the feasibility of power transmission from one island to the other under appropriate conditions. In my view this was the real issue that called for determination. I thought that the committee was the best body to determine it, and in the meantime discussion that would serve only to create controversy was undesirable."³²

In 1960, during widespread controversy over the forthcoming All Black rugby tour of South Africa, the Labour Government's Minister in Charge of Broadcasting, R. Boord, defended the Service decision not to include reference to the debate in the Maori news broadcasts: "The purpose of the Maori

news service would be destroyed if it was allowed to deteriorate into a forum for controversy ... The question of the inclusion of Maoris in the team is a highly controversial one, and in accordance with policy, statements made either supporting or opposing the Rugby Union's decision could not be included in the news."³³

Elsewhere, Boord commented that it had always been the N.Z.B.S.'s policy to arrange for panel discussions on controversial matters, and in the case of the All Black tour argument, this had been done the previous year: "in keeping with normal practice such discussions are not repeated."³⁴ As for the type of

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32. Reported in the Otago Daily Times, May 4, 1956. The Director of Broadcasting, W. Yates, is reported in the same newspaper (May 3, 1956) as saying, "It will be time to talk about it when it is seen whether it is feasible or not". In an editorial of May 4, 1956, the Otago Daily Times charged that, "The ban is unquestionably a denial of freedom of speech" and claimed that the original approach to ban the panel talks came to the Director of Broadcasting from the hydro-electric department: "If this was the case the Director of Broadcasting should have put the matter clearly to the Minister as a choice between departmental expediency and public interest".
33. Reported in the Otago Daily Times, April 9, 1960. The Maori news was broadcast weekly on Sunday evenings.
34. Reported in the Otago Daily Times, April 7, 1960.

"controversial" topics that were debated on the air, while they were often contentious issues marked by major divisions of opinion, they generally were not urgent issues that reflected the day-to-day vicissitudes of public controversy.³⁵

Throughout the 26 years of departmental control of broadcasting, successive governments - both Labour and National - did little to encourage the development of a strong, comprehensive, independent and impartial news service, or vigorous programmes of debate on day-to-day public issues. Qualter's thesis has indicated that nuances of content and style reflected the use of news broadcasts as a publicity channel for governmental activities. Further, in times of abnormal political and social conflict radio was used as an overt propaganda device against the Government's political opponents.

Two notable occasions were the 1949 referendum on conscription, when broadcasting was under the control of a Labour Government; and the industrial troubles of the early 1950s, when National held the Treasury benches. During the first occasion, it

35. For example, the N.Z.B.S. Annual Report for the year ended March 31, 1948, records the start of a weekly session on the commercial ZB stations, "Citizen's Forum". Public discussion took place in public halls in the four main centres, with "a competent citizen" in the chair. Subjects discussed included "Should large-scale immigration be encouraged?", "Should we have a staggered 40 hour week?", "Do N.Z. men lack clothes sense?", "Should war memorials take the form of playing fields?", "What should we do to check rising prices?" (p.18). Eleven years later, in a "Summary of Policy" memo (dated March 5, 1959) to the Minister, the then Director of Broadcasting, J. H. E. Schroder, wrote: "Controversial subjects were not neglected as the following examples illustrate: 'An Englishman in China', a notable series of talks by Felix Greene, giving an independent and thoughtful assessment of life in China today; 'The Licensing Laws: A survey of Public Opinion', a collection of anonymous but representative comment on a contentious topic; a discussion between Messrs. P. Proctor, A. P. O'Shea, F. P. Walsh and F. W. Holmes - 'How can we meet Economic Recession?'; and 'Jazz in the Sanctuary', an illustrated programme in which differing opinions were voiced on a new controversial setting of the Anglican Service of Holy Communion".

was reported that, "Regarding broadcasting facilities for opponents of the proposition, Mr. Fraser said the Government was in favour of fair treatment for them; but, he said, 'I'm not in favour of handing over a potent instrument of propaganda to people who are enemies of this country.'"³⁶ Regarding the railway strike of December, 1950, Qualter observed that, "The beginning of the strike was announced in the regular 'national network' of eight stations. The conclusion, on terms favourable to the Government, was announced in a special link of every broadcasting station in the country. The linking of all stations and the reading of a news bulletin by a member of the Cabinet was without precedent in the New Zealand domestic news service".³⁷ (Emphasis added.) Elsewhere, Qualter, in an examination of broadcast scripts, found that most of "the seven principle devices of propaganda" (as posited in L. W. Doob's Public Opinion and Propaganda, Holt, 1948) were used in radio broadcasts during the 1951 waterfront dispute. He notes that the propaganda was "simple in form and content: it attempted to say only two things - that the watersiders are a disruptive influence in the community and that the Government is handling the situation well".³⁸

36. N.Z.B.S. news bulletin, July 15, 1949, quoted in Qualter, thesis, op.cit., p.37. Qualter also notes (p.38) that those speakers supporting the referendum were given wide radio publicity regarding their public meetings: "announcements giving the time, place and speakers were broadcast at least three times beforehand. No such publicity was given to any meeting by an opponent of the scheme". For further evidence of Government control, see pp.37-48; 67-84 of Qualter's thesis.

37. T. H. Qualter, "Politics and Broadcasting: Case Studies of Political Interference in National Broadcasting Systems", Canadian Journal of Economics and Political Science, Vol.28, No.2, May, 1962, p.233.

38. T. H. Qualter, thesis, op.cit., pp.42-49.

It was in such instances that governmental control could be seen to clash with the principles of independent and impartial public broadcasting. But while it is easy to blame sinister political motivation, it should not be overlooked that, ultimately, any public broadcasting system must draw its strength from the political maturity of the society in which it operates. It is anachronistic to judge yesterday's events by today's standards; it is as misleading in the pursuit of objective analysis as it is unfair in any apportionment of "blame". (It should not be forgotten either, that the mobility and flexibility of news broadcasting - especially radio - in the 1970s, even 60s, was partly made possible by technological advances, for example, light-weight portable tape recorders which in the 1940s and most of the 1950s were a thing of the future.)

Was New Zealand society sufficiently mature enough in the 1940s and 1950s to encourage the development of critical, independent and searching news and current affairs broadcasting? Writing in 1958, with reference to the introduction of television into New Zealand, Dr. William Sutch suggested the answer: "We New Zealanders as a people lack the confidence which can tolerate, respect and even enjoy the expression of views radically different from our own".³⁹ The fact that at no stage did there emerge strong and widespread public dissatisfaction with the Broadcasting Service's news and current affairs efforts supports Sutch's view.

Nevertheless, it must also be remembered that when the first Labour Government established departmental control over the broadcasting services it was riding the crest of a political wave. A new era of social unity was to be born out of the bitterness and conflict of the depression; Savage, the Minister in Charge of Broadcasting, was also an immensely popular Prime Minister, something of a political messiah who, it

39. W. B. Sutch, The Economics of Television, Department of Industries and Commerce, July, 1959, p.33.

could be seen, was rightfully using radio to point his many followers in the direction of the promised land. Radio was thus instrumental in a New Zealand system of "overhead democracy". Far from this being a sinister use of an important public utility, it was - in terms of the social mood of the times - an integral element in a revitalised crusade of state-led nation-building.

It was not until the 1950s that serious efforts were made to establish a comprehensive radio news service. The first National Government had been elected in 1949, largely on the promise of dismantling - under the appeal of "free enterprise" - the complex system of economic controls established by Labour. Industrial unrest was growing, and the social and political unity that had marked the Labour Government's construction of New Zealand's welfare state had long since diminished. Against this background, the notion of "overhead democracy" implicit in governmental control of broadcasting's albeit rudimentary news service appeared, to some, to be increasingly incongruous with political realities. Qualter has observed that, in 1950, in response to "fairly widespread" criticism of having the New Zealand news prepared for the N.Z.B.S. in his Department, the Prime Minister announced that in future the news would be prepared by the Tourist and Publicity Department. However, "Although the Prime Minister did not also announce this, the personnel previously engaged in preparing the news for the P.M. were then transferred to the Tourist and Publicity Department and the P.M. himself assumed the portfolio of Minister of Tourist and Publicity".⁴⁰

Thus, the sole daily news bulletin broadcast on the national stations at 9 p.m. was compiled by a bulletin editor working in the Publicity Division of the Tourist and Publicity Department.

40. T. H. Qualter, C.J.E.P.S., op.cit., p.230.

The four sources of news were: (1) an "alarm" system based on links with the Post and Telegraph Department, and Police, Railways, and Works Department, and the emergency services; (2) ministerial and government news acquired by roundsmen of the Publicity Division; (3) B.B.C. bulletins, monitored by the N.Z.B.S. talks section; and (4) news already published in newspapers, and used after checking and rewriting.⁴¹ The overwhelming emphasis was on news supplied by governmental sources.

The caution that pervaded the preparation and presentation of the bulletin was exemplified in the working rules that guided its compilation: "In most cases it is best to avoid controversial statements of a political, economic or religious nature, and particularly demands for Government action, unless the organisation has national standing. In such cases, if official comment can be obtained for simultaneous broadcast, a balanced summary may be issued without giving false impressions ... In all cases of doubt about the inclusion of an item, the staff should refer to the Director or the Minister".⁴²

That such a restrictive approach should have been apparent is hardly surprising in view of the Broadcasting Service's departmental status, and the poorly developed public expectations about the informational and "watch dog" roles of the news media in a democratic society.⁴³ However, the N.Z.B.S. was not happy with its news service (or lack of it). The Supervisor of Talks, J. H. Hall, viewed as inadequate both the quantity and the quality of daily news bulletins. In January, 1955, Hall referred

41. Memo from R. S. Odell, Director of Information Services, Publicity Division, Department of Tourist and Publicity, to Minister, December 9, 1954.

42. "N.Z. Radio News - Working Rules", on N.Z.B.S. file.

43. See, for example, J. E. Gerald, The Social Responsibility of the Press, University of Minnesota Press, 1963.

disparagingly to "our present New Zealand 'news' service", and suggested that, "we set about organising stations in all 15 of our broadcasting centres outside of Wellington, to keep a more intensive watch than is kept at the present for news stories of national interest, and to arrange contacts accordingly."⁴⁴

The Broadcasting Service had earlier attempted to secure subscription to the New Zealand Press Association for the provision of New Zealand news for inclusion in its broadcast bulletins. The Minister, F. W. Doidge, had authorized the Director, in November, 1950, to open talks with the Association. Two years later, the Government sanctioned a formal approach by the Service to the Association, but in September, 1953, the N.Z.P.A. concluded that it "could not see its way clear to sell the rights of first publication of its news services before the news had been published in members' newspapers."⁴⁵ The Department received a similar response the following year.⁴⁶

The Press Association undoubtedly believed that radio was a competitive medium which, if allowed to encroach further on the news function, would lower readership numbers and consequently threaten advertising and sales revenue. Such an attitude towards broadcasting on the part of New Zealand's newspapers was not new.⁴⁷ In the N.Z.B.S.'s view, however, the press and broadcasting were more complementary than competitive⁴⁸ (a view which has since become a part of the conventional wisdom).

44. Memo from Supervisor of Talks, J. H. Hall, to Director of Broadcasting, January 5, 1955.

45. Memo from Director of Broadcasting, J. H. E. Schroder, to Minister of Broadcasting, January 17, 1961, setting out historical background to the development of the radio news service.

46. Ibid.

47. See footnote 8, above.

48. Memo from Director of Broadcasting, W. Yates, to Minister in Charge of Broadcasting, R. Boord, April 2, 1958. The memo was drafted by Schroder, then Assistant Director of Broadcasting.

The Broadcasting Service made four attempts during the 1950s to secure an agreement with the Press Association. All of them were unsuccessful. Noted Schroder: "There was

no disagreement on financial terms, or other conditions; discussion had never, except conjecturally, extended to them. The objection was to the admission of NZBS to NZPA rights on any terms". 49

So the N.Z.B.S. began to develop its own news resources. Correspondents in several centres outside Wellington were commissioned; quasi-journalistic roles were ascribed to officers in radio stations throughout the country. The N.Z.B.S. showed a willingness to cover news stories itself, independent of the Publicity Division, and especially on the occasion of important events like the Tangiwai railway disaster of Christmas Eve, 1953, which Hall himself reported.

These moves threatened the domain of the Tourist and Publicity Department.⁵⁰ The Government's Director of Information Services wrote to his Minister that, "because it is the Government

information service, it has ensured that a balanced view is maintained on matters with which the Government is concerned, e.g. industrial troubles, political controversy etc., and care has been exercised in handling news which might not present the whole picture in delicate situations ... From the Division's point of view the ... arrangement (for the Service to have full responsibility for New Zealand news) would be satisfactory if the Broadcasting Service exercised the same principles of selection as that practised by the Division." 51

Further, he considered that, "some protection would be desirable

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49. Memo from Schroder to Minister, January 17, 1961, op.cit. The Service did, however, receive from the N.Z.P.A. 200 words daily of cabled overseas news, at a cost of £600 per annum.
50. The idea of the organizational and bureaucratic "domain" is examined in J. D. Thompson, Organisations in Action, McGraw-Hill, 1967, chapter 3, and A. Downs, Inside Bureaucracy, Little, Brown & Co., 1967, Chapter 17. Says Thompson (p.36): "The attainment of a viable domain is, in essence, a political problem ... The management of interorganisational relations is just as political as the management of a political party or of international relationships".
51. Memo from Director of Information Services, R. S. Odell, to Minister in Charge of Publicity and Information, December 15, 1955.

for Government news. Possibly this might be arranged by a continuation of the news under the heading: 'and now we present some items of Government news'".⁵²

For its part, the Broadcasting Service had clearly been dissatisfied with a single daily bulletin whose compilation was controlled by another department. Professional considerations were at the heart of this concern. The Service disliked having to rely on "stale" news provided by the Publicity Division. (Said J. H. Hall to the Director of Broadcasting: "We cannot place New Zealand news first without making ourselves look ridiculous ... the items are often stale ... an example ... the announcement of the retirement from the Bar of Mr. C. S. Thomas was made in Christchurch newspapers on Christmas Eve. The Publicity Division gave it to us TWELVE DAYS later ... after its publication in the Evening Post."⁵³) It was also concerned about the image of radio news as a "Government handout service".⁵⁴ On this point, Hall could comment in 1957 that, "this was nearly true at one time. It is no longer even half-true, but we cover Government news so fully, and local body and unofficial news so poorly in comparison, that the stigma clings. It is damaging to us, and I would think to the Government also."⁵⁵

By 1957, although the Broadcasting Service had been able to increase substantially the amount of news supplied from other sources, the bulletins were still overwhelmingly dominated by material from the Publicity Division.⁵⁶ Faced with the

52. Ibid.

53. Memo from Hall to Director of Broadcasting, January 17, 1956.

54. Memo from Hall to Director of Broadcasting, October 4, 1957.

55. Ibid.

56. In his memo of January 17, 1956, to the Director of Broadcasting, Hall set out the following analysis of the 9.03 p.m. news for the nine weeks from November 1, 1955, to January 2, 1956: items received from Publicity Division, Tourist & Publicity Department, 292, items used, 275; items received from N.Z.B.S. correspondents, 66, items used, 56; items received from other sources, 7, items used, 7.

Press Association's lack of co-operation, the Service sought to acquire its own professional news staff to provide a more comprehensive schedule of bulletins. These journalists were to be "good men: well-educated, vigorous, responsible, enterprising and adaptable, of proven news sense, with a gift for clear and concise writing".⁵⁷ According to Hall, the lack of an adequate domestic news service was "by far the greatest weakness of the N.Z.B.S."⁵⁸ In his view, it was a weakness that struck at the heart of the relationship between a publicly-owned broadcasting service and a society that espoused democratic values: "the broadcasting of news

is a public duty that a publicly-owned Broadcasting Service ought to take very seriously. Its first responsibility, in my view, is to those people in its audience for whom it is a fundamental obligation of citizenship to be well informed. But a broadcasting authority has a second and almost equal news responsibility to the numerically greater audience that uses its radio for light entertainment. They too are citizens. The fact that they may not themselves seek to be well informed is beside the point. They should at least be given the opportunity to be informed of the day-to-day activities of their own nation."⁵⁹

Discussion on the need for the Broadcasting Service to have its own news service took place behind closed departmental doors. It originated from the professional awareness

57. Memo from Hall to Director of Broadcasting, September 19, 1957. There was some clash in editorial policy between the Publicity Division and the N.Z.B.S. The Director of Information Services had complained to his Minister (memo of March 16, 1956) that, "the Publicity Division's editorial policy tends to be vitiated by the final compilation of the news by the Broadcasting Service" (carried out by a news compiler on broadcasting premises). It would seem that while, as shown, the N.Z.B.S. was heavily dependent on the Publicity Division for the content of the 9.03 p.m. bulletin, it was somewhat impatient with the style employed by the Division's journalists in writing these items, hence Hall's comment in the memo of January 5, 1955, to his Director, that the development of the N.Z.B.S.'s own news facilities would result in a service "much better than we have now: more comprehensive, more accurate, more up-to-date, and written for the ear instead of for the eye".
58. Memo from Hall to Director of Broadcasting, October 4, 1957.
59. Memo from Hall to Director of Broadcasting, September 19, 1957.

of particular individuals, notable J. H. Hall and J. H. E. Schroder, rather than from any concerted public clamour for a broadcasting news service that was comprehensive in scope and of independent status. (In 1956, the National Party's Annual Conference passed a Wairarapa Branch remit which "viewed with concern the apparent inability of the N.Z.B.S. to inaugurate a 7 a.m. news service", and which urged the Government "to take action to make this service possible".⁶⁰ Schroder also noted that there was, in the mid-50s, "mounting public pressure", and cited Federated Farmers' calls for an expanded news service.⁶¹ It would appear, nevertheless, that such "public pressure" was exerted largely by rural interests on utilitarian grounds.)

It would be going too far to argue that the N.Z.B.S. was opposed, in the first instance, to the situation whereby virtually all news on governmental activities was supplied by the Publicity Division. In 1955, for example, Hall argued that the N.Z.B.S. should take over responsibility for all New Zealand news "other than that from Ministerial and departmental sources".⁶² Nevertheless, the strategy adopted by Hall and Schroder was undoubtedly one of advancement by degrees: the build-up of a service based on sources independent of the Publicity Division would provide the basis for achieving a more important objective - the development of a broadcasting service operated solely by the N.Z.B.S. in accordance with professional broadcasting standards.

Their eagerness to establish an independent news service suggests their concern for professional independence within an organization under direct ministerial control. They clearly felt that they were able to carry on the Service's day-to-day activities as they saw fit, guided by their own definition of and commitment to, professional standards. For example, Schroder recalls

60. Recorded on news file, N.Z.B.S.

61. Memo from Schroder to Minister of Broadcasting, January 17, 1961.

62. Memo from Hall to Director of Broadcasting, January 5, 1955.

that in 1959, while Director of Broadcasting, he had been instructed by the Minister in Charge of Broadcasting, at the direction of the Prime Minister, not to broadcast a news item about a public demonstration against the proposed 1960 All Black rugby tour of South Africa. According to Schroder, Nash, who was also the Minister of External Affairs, was concerned lest the item lead the South African authorities to believe that the New Zealand Government agreed with the demonstrators. In Schroder's view, the South African Government had no idea whatever of an independent broadcasting organization, one that was not simply a mouthpiece for official information. The news item, however, was broadcast, against the direction of the Minister, since - in Schroder's view - to have done otherwise would have been to neglect the Service's responsibilities. There was no reaction from the Government.⁶³

This event suggests that, by the late 1950s, the Service was slowly but surely acquiring for itself a degree of operational autonomy within which it was largely free to promote and maintain its own journalistic standards. (This is also indicated by a former Editor of the N.Z. Listener, who has recalled that, while Government sensitivity to certain of his editorials was conveyed to him informally and discreetly, he nevertheless enjoyed full freedom to write as he chose.⁶⁴)

In October, 1957, the Service put firm proposals to the Minister for the creation of its own news establishment. A series of news bulletins each day, Monday to Friday, was proposed, with separate bulletins for the National and Commercial divisions. A Monday to Friday "Wake of the News" programme for the National division was also suggested. It was calculated that it would cost the Service £22,500 per annum "to bring our news service into parity of quality with other N.Z.B.S. activities."⁶⁵

63. Schroder to writer, August 26, 1975.

64. See M. H. Holcroft, Reluctant Editor, Reed, 1968, Chapter 4.

65. Memos from Hall to Director of Broadcasting, September 25, 1957, and October 4, 1957.

The plan received Treasury support, on condition that the proposed service be integrated with the Tourist and Publicity Department and not operate "in opposition" to it.⁶⁶ But before further discussions on the proposal could be held there was a change of Government in the 1957 election.⁶⁷

The fact that Treasury's conditional approval was based on "the interests of efficiency and economy",⁶⁸ and that approval would not be given for the establishment of a radio news service fully independent of the Tourist and Publicity Department, is further testimony to the scant official regard for the functions of public service broadcasting in a democratic society. While it was clearly Treasury's prerogative to evaluate "efficiency and economy" in financial terms, it should be remembered that the N.Z.B.S. was a fully self-sufficient organization, drawing its revenue not from the taxpayer but from advertising revenue and licence fees. According to Schroder, the Minister in Charge of Broadcasting had taken a "lively interest in plans for a professionally staffed News Section with the N.Z.B.S."⁶⁹ But whether such professionally-defined interests could prevail over the Treasury and the Minister of Finance was not to be finally resolved at that time.

The following year, the new Labour Government made another attempt to secure negotiations for the provision of an N.Z.P.A. service to the broadcasting authorities.⁷⁰ That attempt having failed,

66. Memo from Secretary to the Treasury, to Minister of Finance, November 19, 1957. Schroder commented (his memo to Minister of Broadcasting, January 17, 1961) that, "full integration can be achieved by adopting the suggestion of the Director of Information Services that a senior N.Z.B.S. journalist be placed in charge of the Radio News Unit of the Information Section."

67. See Schroder's memo to Minister of Broadcasting, January 17, 1961.

68. Memo from Secretary to the Treasury to Minister of Finance, November 19, 1957.

69. Memo from Schroder to Minister of Broadcasting, January 17, 1961.

70. Ibid.

Schroder (now Director of Broadcasting) urged the new Minister to push for the 1957 proposals: "In a democracy one of the main responsibilities of broadcasting is to enlighten the people: to keep them informed about the affairs of their own and other countries. We are failing badly in this duty ... We are not doing justice in our news reporting to the growth and development of the Dominion, nor to the vigorously constructive mood of her people."⁷¹

The Minister, according to Schroder, expressed "his general agreement" with the proposals,⁷² but no firm decision was taken by Government. Instead, the proposal was pushed quietly, through consultations between Schroder, his officers, and the Minister. The strategy appears to have been one of cautious but steady progress, with the Public Service Commission being consulted about the establishment of the post of Editor. This was approved on September 21, 1960, applications being called later that month for an Editor who would be "responsible to the Director for the organisation, development and supervision of the News Service."⁷³

The change of Government in the 1960 election brought with it the new National Government's proposal to set up a commission to introduce and operate television in New Zealand. Thus, the new Government inherited the N.Z.B.S.'s claims for an expanded news organization at the same time as it worked out its proposals to reorganize control of broadcasting. Soon after the Government had taken office, Schroder again presented the original proposal for approval.⁷⁴ The new Minister of Broadcasting, A. E. Kinsella,

71. Memo from Schroder to Minister in Charge of Broadcasting, May 7, 1959. Schroder pointed out that, "we have only one domestic news bulletin each day, and that not a fully comprehensive one. The A.B.C. has nine national news bulletins daily except Sundays; the C.B.C. eight; the S.A.B.C. seven, and the B.B.C. 27, 8 on the Home Services and 19, shorter, in the Light Programme".
72. Memo from Schroder to Minister of Broadcasting, January 17, 1961.
73. Ibid.
74. Memo from Schroder to Minister of Broadcasting, January 16, 1961.

was in favour;⁷⁵ but Treasury this time recommended that the proposal be given "no economic or financial priority at the present time."⁷⁶ In its view, the proposed service would be "largely a duplication to services already provided by the press" (emphasis added). It noted that the Service was faced with problems of television expansion; that it would be hard to obtain the 20 journalists needed for the service; and that this would lead to competition with the newspapers and the Tourist and Publicity Department for journalists' services.⁷⁷

Had it not been for the fact that a major administrative change to the broadcasting services was in the offing, the news proposals may well have been postponed or shelved yet again. However, the intended change to corporation control meant that the N.Z.B.C. would not need to seek Treasury approval for its news proposals. Thus, moves towards establishing the news service became part and parcel of the general preparation for the inception of the N.Z.B.C.⁷⁸

The newly appointed Editor, R. E. Coury,⁷⁹ recruited a skeleton

75. The Minister's recommendation to cabinet, drafted by Schroder, and forwarded to the Minister's private secretary on August 10, 1961, read: "I myself am convinced that an adequate news service is the last major requirement of sound broadcasting: and it is basic to our intention of giving television programmes the fullest possible measure of New Zealand content."
76. Memo from Treasury to Minister of Finance, October 4, 1961. The memo notes that although the Government had not formally endorsed the scheme in November, 1957, the position of Editor of the news service was advertised in November, 1960. Treasury's severe attitude towards the proposal was no doubt strongly influenced by the inflationary economic situation that prevailed in New Zealand at the time.
77. Ibid.
78. Kinsella to writer, May 18, 1976.
79. Coury to writer, October 8, 1975. Coury was appointed Editor of the Radio News Service early in 1961 after appealing against the original appointee, C. T. C. Watson.

staff of six journalists as a beginning. In December, 1961, an early evening news bulletin on commercial stations was introduced. It was felt necessary that the Minister urge his cabinet colleagues to "take advantage of this further news outlet" by arranging "to let the Broadcasting Service have a fair share of releases during the day".⁸⁰ The issue behind this advice was not political opportunism, but the problem of encouraging acceptance of the embryonic service as a legitimate news organization. Earlier in the year, the Editor had commented that, "there is still a little reluctance on the part of some Ministers to realise that a prior release to radio does not detract from press publication."⁸¹

80. Memo from Minister of Broadcasting, A. E. Kinsella, to all ministers (drafted for signature December 1, 1961).

81. Memo from R. E. Coury, to Director of Broadcasting, April 21, 1961. The need for the news service to build up respectability was vital to its effective functioning, for it would have been little use having an independent service with reluctant sources denying it news to broadcast. By 1961 it was apparent that the advent of a broadcasting corporation would enable a fully independent news service to be set up, using its own staff and facilities. Before then, however, the need to continue to use the Publicity Division for the supply of official news was dictated not only by departmental politics and Treasury considerations, impelling integration rather than independence, but also the fact that as a source of governmental news, the Publicity Division could not be circumvented overnight. Hence, the principle of an integrated departmental news service was spelt out in the Editor's memo: the intention was still to use officers of the Information Section to gather parliamentary, government and departmental news, but this would "be prepared for broadcasting by the N.Z.B.S. News Service". Moreover, it was the intention to place a Deputy Assistant Editor (third in seniority) in charge of the Publicity Division's Radio News Unit. All ministerial items emanating from other sources would be checked by this officer who would also arrange all news dealings with ministers.

There can be little doubt that the Broadcasting Service itself - particularly men like Hall and Schroder and Yates⁸² - was instrumental in creating among the politicians a climate for the eventual acceptability of a broadcasting news service. Just how the N.Z.B.S. itself had evolved its own, more independent and sophisticated, philosophy of what a broadcasting news service ought to be doing is indicated in the "General Principles" it had adopted by 1961 in regard to news broadcasts. The principle that, "statements by Ministers or other Government Authorities should be treated on their merits"⁸³ was a far cry from the earlier "working rules" (see footnote 42). If there is a firm conclusion to be drawn from the events leading up to the creation in 1962 of a broadcasting news service (the first major programme policy decision taken at the inaugural meeting of the N.Z.B.C. Board was the establishment of an "independent and comprehensive news service"⁸⁴) it is that change resulted from the persistence of administrative leadership that sought a reconciliation between professional and political considerations. This conclusion challenges the conventional wisdom of the time, summed up in the statement that the informative function of broadcasting "is (one) which the N.Z.B.S. seems hardly to be aware of".⁸⁵

82. It is clear that Schroder and particularly Hall - both of whom were journalists by profession (Hall was a former Editor of The Sun and of The Dominion, while Schroder was formerly Associate Editor of The Sun, and Assistant Editor of The Press) - were the prime movers for the establishment of the radio news service. There is no evidence from the files that Yates did not fully sympathise with their views. The first firm proposal to the Government - in October, 1957 - took place during his term as Director of Broadcasting.

83. "N.Z.B.S. News Service - General Principles", N.Z.B.S. file, circa 1960/61.

84. N.Z.B.C. Board Minute, April 2 and 3, 1962.

85. "Notes", in Landfall, op.cit., p.203.

Broadcasting's administrators worked in the context of a government department where the balance between political control and professional autonomy was delicate, had been so throughout the whole history of New Zealand broadcasting, and would continue to be so. Charges of timidity ignored the realities of this relationship, and suggested patently simple explanations for what was a complex process. They ignored the interaction between politician and departmentalist, the symbiotic relationship between the Minister and his department whereby the former depends on the latter's professional expertise and the latter on the former's political resources. The creative potential in this relationship is determined by the calibre and personalities of the individuals involved. In the case in question, the contribution of Hall, Schroder and, to a lesser extent, Yates, was substantial: by pushing at the boundaries of political acceptability they paved the way for the later emergence of a comprehensive news service under the control of the N.Z. Broadcasting Corporation.

Before completing this chapter, mention must be made of broadcasting's coverage of election campaigns. As with news and current affairs broadcasting generally, the coverage of election campaigns was from the beginning a contentious topic in the history of New Zealand broadcasting. Policy on this matter was determined by trial and error, cautiously, and with an overriding concern not to offend major political interests.

In 1922, a few election results were broadcast, more as a demonstration of the capabilities of the novel medium, rather than as any planned contribution to the electoral process. It was not until 1925, at the end of which election the Prime Minister, J. G. Coates, broadcast thanks for his re-election,

that the political implications began to become apparent.⁸⁶ Prior to the 1928 ballot, there was some discussion in Parliament about radio's role in the forthcoming election. The Labour Party was concerned that radio should not be used in the interests of one party only. For his part, the Prime Minister argued that, "If we could arrive at some formula whereby some plain statement of policy ... could be sent out from each of the parties in the House through the microphone, no doubt it would be effective and probably useful; but the moment it comes to controversial questions ... then it is going to be never-ending."⁸⁷ In his view, the only way out of the difficulty would be to ask the Broadcasting Company to allow the Leader of the Opposition and himself to speak on the radio, "without touching on politics".⁸⁸ (The implicit belief that politics could somehow be separated from the activities of politicians, that it could be compartmentalised, inhered in the prevailing paradigm of "overhead democracy" which viewed politics as the almost exclusive prerogative of those who sat in Parliament. This belief was reflected, as already suggested, in the decision to broadcast proceedings from the House, and more particularly in the Government's belief - one that was not strongly or widely challenged - that those broadcasts adequately covered "controversial" matters. It was reflected, too, in the Board's decision of 1935 to allow Mayors who were Parliamentary candidates to broadcast prior to the General Election, provided that they spoke in their mayoral capacity, and did not "deal with politics ..."⁸⁹.)

The ban on controversy prevailed, and it was not until 1935 that the issue was again resurrected. The Postmaster-General,

86. The 1925 regulations made it obligatory for stations to broadcast government announcements free of charge. According to Protheroe (op.cit., p.121), "fear was felt that this right might be further extended."

87. N.Z.P.D., Vol.218, p.168.

88. N.Z.P.D., Vol.218, p.169.

89. See Mackay, op.cit., p.119.

Adam Hamilton, agreed that politics ought to be discussed over the air at election time; but it was a decision for the Board.⁹⁰ Facilities were offered to both parties to broadcast policy speeches prior to the election, but the parties were not responsive. Only in 1938 did a lasting pattern emerge. From that time, a certain amount of time was allocated for the broadcasting of election addresses. The allocation was made by the Government of the day, in consultation with opposition parties. Consultation, however, was in the earlier years confined mainly to the major Opposition party, with time being apportioned according to representation in the House. For example, in 1951 the Communist Party contested four seats but was refused broadcasting time by the Prime Minister.⁹¹ Three years later, Social Credit contested all seats but was restricted to one broadcast, while National and Labour each had 14.⁹²

Nor was the system protected from abuse by the Government of the day, which exerted ministerial control over broadcasting. In both 1946 and 1949, the Prime Minister broke the precedent of the previous two elections when he alone broadcast to the country on the eve of the election. The Leader of the Opposition

90. N.Z.P.D., Vol.242, pp.654-5.

91. It was reported in The Evening Post of November 16, 1949, that, "Mr. Fraser said the Government had decided ... that the Communist Party was not entitled to time on the air. 'We cannot take seriously the political efforts of the Communist Party,' said Mr. Fraser, who said he would quote from the writings of Lenin, Stalin and others that the party would not go into Parliament except to pull it down. 'We are not going to give an opportunity to anybody to destroy the Parliamentary system of this country,' he said amid applause."

92. In a letter of November 4, 1949, the Director of Broadcasting, W. Yates, advised the N.Z. Social Credit Association that, "the allocation of broadcasts has been carefully considered by the Government, and it has been decided to limit the broadcast to the two political parties represented in Parliament. No provision has been made for any other party or individual to speak". The Association replied, on November 9, 1949, that the decision represented "a serious decline in the basic principles of democracy."

had to make his final broadcast the night before the Prime Minister's address.⁹³

The practice of allocating radio time on the basis of representation in the House had by 1957 come under strong attack, particularly from the N.Z. Council for Civil Liberties. The Council urged that an "impartial umpire" should allocate broadcasting time during election campaigns.⁹⁴ In that year, the Prime Minister had announced that a new policy was to be adopted which would allow broadcast addresses by parties which (1) had policies on a wide range of national issues, (2) had a nation-wide organization established as a result of a national conference, and (3) had representation in Parliament or evidence of substantial support from votes cast at previous elections.⁹⁵ This was clearly aimed at accommodating the Social Credit Political League which had polled 11.1% of the vote in 1954.⁹⁶ However, the Prime Minister, K. J. Holyoake, also stated that "the radio

93. Denying that there was anything improper or unfair in this, the Minister of Industries and Commerce, A. Nordmeyer, maintained that, "obviously someone had to have the last say, whether two took part in the final broadcast or not. Both sides had the same opportunities. The Government was giving the Opposition full facilities to present its case. It was desirable in the national interest that the Prime Minister should reply to the extravagant statements of the Leader of the Opposition." - Reported in The Dominion, October 21, 1949.
94. Pamphlet published by the N.Z. Council for Civil Liberties, entitled "Election Broadcasts", September, 1957.
95. Policy recalled in memo from the Director of Broadcasting to the Secretary of External Affairs, September 16, 1958, N.Z.B.S. file.
96. Figure quoted in T. T. Mackie and Richard Rose, The International Almanac of Electoral History, Macmillan, 1974. Despite Social Credit's respectable showing in 1954, three years later and with the next election in the offing, the Minister of Works, W. S. Goosman, charged that, "Social Credit speakers have no right to go on the air in New Zealand at all. It is my personal opinion that nothing put up by Social Credit has any foundation ... it is all nonsense, and if put into practice would ruin the country". - Reported in the Christchurch Star Sun, March 7, 1957.

services should not be used for the dissemination of disloyal or subversive policies and utterances."⁹⁷

Apart from the election addresses themselves, the reporting of messages and news about candidates during the campaign was very carefully watched. All Parliamentary candidates were banned from the air during the campaign and for some months before, except with the approval of the Minister in Charge of Broadcasting. The exceptions allowed were where a mayor was presiding at a civic reception or an intercessory service, or where a Minister of the Crown was carrying out some official function.⁹⁸ But during the campaign candidates were allowed, under special conditions, to buy time on commercial stations, "for the broadcasting of short notices of election meetings".⁹⁹

The rigidity of control over the allocation of time during election campaigns, and the way in which this time was used, had by the mid-1950s, and certainly by the time television arrived on the scene, inspired public criticism. One commentator observed that, "radio, after all these years, has still not found a way

of critically covering an election campaign. The paramount considerations are fairness and avoiding embarrassment to the Government. The politicians were never questioned by radio. Night after night ... they stepped up to say their piece ... in strict order of equal time ... Can you imagine the impact if a panel of interviewers determined to define attitudes to key topics had sat down at the microphone with Mr. Nash and Mr. Holyoake and thrashed the whole thing out? ... It's only a commentary on the effect of Government in direct control of radio that such a session could hardly be imagined in this country."¹⁰⁰

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97. Quoted in memo from Director of Broadcasting to Secretary of External Affairs, September 16, 1958.
98. This arrangement was established in 1935 (see footnote 89). Twenty-one years later, the Director of Broadcasting advised his Minister (memo dated August 7, 1956) that this policy was still operative. It continued to be applied in 1960.
99. Memo of August 7, 1956, from Director of Broadcasting to Minister in Charge of Broadcasting.
100. J. A. Kelleher, in The Dominion, November 29, 1960.

However, the evolution of New Zealand's election broadcasting policies can by no means be unfavourably compared with the B.B.C.'s experience. As Paulu notes, "Except for these

official party broadcasts ... the B.B.C. operated during all general election periods prior to 1959 as though no election were in progress, since it carried no other broadcasts which could conceivably influence voter opinion, hardly referring to the campaign in its news bulletins ... all parliamentary candidates were kept off the air, except during the allotted election broadcast periods." 101

Moreover, according to the Director of Broadcasting, the N.Z.B.S. provided more time for pre-election broadcasting than was the case in Britain or Australia.¹⁰²

It may be noted, in conclusion, that broadcasters, particularly those involved in the field of news and current affairs, must strive to reconcile their organizational responsibilities with their professional aspirations. In a situation where the broadcasting organization is under direct governmental control this reconciliation, if possible at all, is likely to be a difficult process. Given a situation like that in New Zealand in the period under discussion, where these professional aspirations were not moulded by sophisticated public expectations, rudimentary news and current affairs programming could muddle by. Low level public expectations meant that politicians did not need to exert a tight control over the activities of the broadcasters, who in turn could

101. Burton Paulu, op.cit., p.106.

102. In his memo of August 7, 1956 to his Minister the Director pointed out that, "compared with the U.K. and Australia we devote a substantially greater amount of time to pre-election broadcasting. New Zealand relays more broadcasts from election meetings. Election broadcasts in New Zealand go right on to the eve of the election. In the U.K. three clear days, not counting Sunday, are left between the last election broadcast and Polling Day; in Australia, broadcasts of election matter cease on the Wednesday ... preceding the day of the poll."

generally be relied upon not to step too far out of line.¹⁰³ However, the absence of close day-to-day programme control allowed the broadcasters some scope to push at the politicians' and the public's limits of acceptability.¹⁰⁴ Although it was an uneasy, and - for an aspiring democracy - a fundamentally unhealthy relationship that prevailed between the broadcaster, the politician and the public during the years of departmental control, it was by no means an entirely sinister one. Nor was it beyond quite rapid transformation, as will be shown later in this thesis.

103. Comments Qualter (thesis, op.cit., p.48), "In more recent years (following the war) the programme organisers of the N.Z.B.S. have seemed afraid of controversy. It appears they are unwilling to permit criticism of the Government and so, in fairness, refrain to a large extent from Government propaganda. There is no evidence of any specific Government direction in this matter, though possibly if the programme organisers adopted a different policy, some Government direction would be immediately forthcoming".
104. See, too, M. H. Holcroft, Reluctant Editor, op.cit., Chapter 4. While he was "left without interference to write as I pleased" (p.66), Holcroft also points out that it was made known to him whenever the Government's sensitivities were upset by an editorial. His policy was one of making haste slowly: "If I had tried at once to be outrageous, or merely outspoken, I could have been checked and stopped. But I was not there to cause a sensation, to be clever, or in any way to draw attention to what I was doing. I was free from departmental interference but I was still exposed to the checks and restraints of public opinion. The Listener was owned by a government department, but it paid its way and had a life of its own, and in one sense it belonged to the people who bought it ... I was convinced that any subject could be written about, even in a journal with a large family circulation, if it were treated with the right mixture of candour and discretion. If I went too far, it was not necessary for the Director or Minister to tell me: the public itself was my sternest and most watchful critic" (p.67).

CHAPTER THREE: Monopoly and Competition

Arguments about the pros and cons of monopoly and competition in New Zealand broadcasting have tended to be pragmatically, rather than philosophically, based. The Wireless Telegraphy Act of 1903 was intended to ensure some order in the allocation and use of the air waves, though there was some disquiet at the prospect of a consequent state monopoly.¹

Nevertheless, while that Act gave the state the sole prerogative in allocating and controlling frequencies, it did not foreclose opportunities for private operators to gain licences and operate in competition with public broadcasting organisations. Privately-operated stations were licensed in New Zealand. These B stations, as they were called, were established in the 1920s and grew in number until the mid-1930s,² when the Labour Government's intention to run radio as a state monopoly led to their demise, and to a 24-year hiatus in the debate on monopoly and competition in New Zealand broadcasting.³

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1. Introducing the Bill into the Legislative Council, the Attorney-General, A. Pitt, stated that, "the whole principle of the Bill is that the Government intends to acquire a monopoly of this system in the colony, just in the same way as has been done in regard to telegraph lines and telephones" - N.Z.P.D., Vol. 125, p.65. Commented another member, A.L. Smith, "You will not find any such interference on the part of the State with private enterprise at this stage either in Germany or America. People there are allowed to develop their experiments so long as they do not interfere with the interests of the State..." N.Z.P.D., Vol. 125, p.66.
 2. As Burton (op.cit., p.306) notes, "the improvident proliferation of the 'B' stations was comparable to that of a man whose family increases in inverse ratio proportionate to his diminishing income. They numbered eight in 1928; 17 in 1929; 29 in 1930; and 36 in 1931". The Broadcasting Board bought out three of the stations and subsidised eight others.
 3. An account of the rise and fall of the B stations is provided in Mackay, op.cit., chapters 7 and 8.

The B stations did not exist primarily to compete with the nationally-organised broadcasting stations, that is, those run by the Company and, later, the Board. Rather, the privately-owned and operated stations provided radio listening in many areas not already, or adequately, covered by the others. Indeed, their raison d'être foreshadowed a form of private entrepreneurial initiative that was to become prevalent in the 1960s, when the N.Z.B.C. was carrying out the painstaking task of providing a single-channel television service over the whole of New Zealand.⁴ Private radio dealers operated some of the B stations, mainly as a means of promoting sales of receiving sets, while others were run by groups of enthusiasts who had little or no commercial interest, save that of accruing sufficient financial resources to sustain their continuing transmissions. According to Mackay, "The lot of the B stations was an unenviable one.

They were the illegitimate off-spring of successive administrations and no one wished to assume responsibility for their upbringing. The Government continued to licence them but would not help them. Most of them were refused any subsidy and denied the right to earn revenue by advertising. The mortality rate was high, those who survived being assisted by individuals and clubs who raised the necessary funds and also provided many broadcast items without charge."⁵

The B stations were, however, a source of considerable political contention. Firstly, they were popular among listeners;⁶ secondly, as mentioned, they provided coverage in places where there would otherwise have been none; thirdly, representations on behalf of

4. Privately-operated television translators and mini-translators were licensed by the Post Office and run under agreement with the N.Z.B.C. These were established throughout New Zealand to bring a television signal to thousands of homes in areas not covered by the Corporation's transmitters.
5. Mackay, op.cit., p.58.
6. Alexander Fry, writing in the N.Z. Listener, August 9, 1975, records that "about 80 percent of the population tuned to B stations and in one case at least a set stayed tuned that way because the pointer rusted to the dial".

B stations by Members of Parliament cut across party lines, with the interests of constituents providing the main political rationale for action in the House;⁷ fourthly, the stations themselves organised their own political pressure group which, by the time of the 1935 election, had ensured that the fate of the B stations would be a significant election issue; fifthly, they provided the axis around which turned public debate as to the desirability or otherwise of commercial broadcasting.

When the first Labour Government came to power in 1935 the question of whether broadcasting should be run in New Zealand as a monopoly or not was by no means decided, as it had been in Britain.⁸ Certainly there was a general consensus, of sorts, that by and large radio was a public utility and should be administered as such (see Chapter 1). However, the role that private stations could expect to play at a subsidiary (though not necessarily less important) level was yet to be determined.

To the extent that it was clear that the major broadcasting structure would be publicly-owned and controlled (either as a public corporation or a government department), the American-type option of numerous privately-operated stations existing in an intensively competitive atmosphere was not open to New Zealand. It was one which, in fact, successive governments had been keen to avoid.⁹ The Broadcasting Amendment Act 1934-35 was a major step towards a public monopoly of broadcasting in New Zealand. As shown in the previous chapter, this Act gave the Board supervisory and censorship powers over programmes broadcast by the B stations. Section 7 also gave statutory force to the regulation prohibiting advertising on air; and Section 8 prohibited the licensing of new B stations beyond the number already existing at the time of

7. Protheroe, op.cit., pp. 108 and 111.

8. See R. H. Coase, op.cit.

9. See, for example, footnote 21, Chapter 1. The desire to avoid the American experience was a prominent theme in the Parliamentary debates on broadcasting, from the establishment of the Company in 1924-25 through to the 1937 debates on the establishment of commercial radio in New Zealand.

the Act's inception. It was clear that the Act would probably mean the ultimate end of the B stations whose operations were crippled by lack of revenue and by disputes over copy, patent, manufacturers' and performers' rights.¹⁰ The conservative Coalition Government was not only inclined to protect the privileges of the newspapers, but was also (as shown in the previous chapter) embarrassed by the "Friendly Road" service of Scrimgeour, who had become a principal leader of the United Federation of B Stations, set up to fight for the stations' survival.¹¹

The B stations' major battle had been to obtain the right to earn revenue through commercial broadcasting. Except for the eight stations subsidised by the Board, they received no financial help from Government, in spite of the fact that listeners who relied on B stations for their programmes paid the annual licence fee. This revenue was used to finance the Company and later the Board. The Government justified its opposition to advertising on the grounds that it would lower radio standards as, it was argued, had been the case in the United States.

For a brief period in 1933-34 B stations were allowed a limited use of sponsored programmes to help alleviate financial problems, but this concession was withdrawn in 1934. As Ross points out,¹² the B stations organised at various times in pursuit of their interests. He argues that the private broadcasters were "a weak lobby, small in number, scattered throughout New Zealand, and lacking both financial resources and unity amongst themselves".¹³ But this seems to overstate the position; for while, organisationally, the B station lobby might have been weak, broadcasting was (and often still is) a topic that aroused much emotional response. The popularity of B station programmes, not to mention the listening

10. See Mackay, op.cit., Chapter 8.

11. See Scrimgeour, Lee, Simpson, op.cit., pp.42-43.

12. K.P. Ross, Commercial Broadcasting in New Zealand, 1962-71, unpublished M.A. thesis, University of Canterbury, February, 1971.

13. Ibid, p.6.

opportunities provided by their facilities, could not easily be ignored by politicians. The controversy surrounding the jamming of Station 1ZB on the eve of the 1935 election bears testimony to this. In 1935, Scrimgeour sent all parliamentary candidates a questionnaire asking if they were in favour of giving the B stations the right to earn revenue. All Labour candidates answered "yes", but no other party replied. Word that Scrimgeour intended to broadcast the results of the questionnaire was leaked to the then Postmaster-General, Adam Hamilton. It was then that the jamming incident occurred.¹⁴

The 1935 election campaign thus saw the Labour Party promising either to subsidise the B stations or give them the means of earning their own living.¹⁵ The Coalition Government circumspectly undertook to investigate the whole question of broadcasting after the election.¹⁶ While, in Britain, the debate on monopoly or competition had been resolved, at least in the meantime, on the recommendations of an independent public committee,¹⁷ in New Zealand the issue was determined largely through political expediency. The

14. See Scrimgeour, Lee, Simpson, op.cit., pp.42-52. Says Scrimgeour (p.45): "So the jamming wasn't done through political fear from the point of a broadcast telling people how to vote. It was to cover up a mistake that the Government had made, and they had to do it because they thought - with good reason - that I was going to read that listeners' report over the microphone on the Sunday night before the election. So it was a political fear, but it was a more subtle political fear than is probably suggested". The "mistake" referred to was the "loophole" whereby controversial material could be included in the B station reports to listeners' clubs (established to support the stations). In this case, the report was to have included the results of the questionnaire.

15. See Protheroe, op.cit., p.118.

16. Mackay, op.cit., p.70.

17. The Crawford Committee, set up by the British Postmaster-General, reported in the summer of 1926. Its recommendations led to the establishment of the B.B.C.

prevailing arguments were populist in nature: for example, radio coverage of more areas of the country; the B stations' popular appeal; and the proposition that competition raised broadcasting standards.¹⁸ Those were legitimate bases of debate; but by contrast with Britain far less attention was paid to more fundamental questions about the social and political desirability, or otherwise, of monopoly control of New Zealand broadcasting.¹⁹ True, the Opposition frequently raised arguments about the perceived dangers of monopoly control by Government (this was to be found only in dictatorships, it was argued²⁰), but almost exclusively it was done by contrast and comparison with Britain. There, in 1935, the Ullswater Committee had reviewed the period of the first B.B.C. Charter and had generally recommended continuation of the status quo.²¹

Independent inquiries into the control of broadcasting were eschewed in New Zealand - it was not even felt necessary to have

18. See N.Z.P.D., Vol.242, debate on the Imprest Supply Bill; and N.Z.P.D., Vol.241, debate on the Broadcasting Amendment Bill.
19. See debate on the Broadcasting Bill, N.Z.P.D., Vol.245. For an examination of the debate in Britain, see R.H. Coase, op.cit., chs 3, 6, 7. Also W. Altman, D. Thomas and D. Sawers, TV: From Monopoly to Competition - and Back?, (Hobart Paper 15), Institute of Economic Affairs, 1962. Advocacy of a monopoly in Britain was led by J.C.W. (later Sir John) Reith, to be first Director-General of the B.B.C. He "viewed society as a hierarchy, a pyramid, and believed that the task of the broadcasting services was gradually to familiarise those at the bottom with the high culture and values of an elite at the top. For this, the 'brute force of monopoly' was the necessary effective instrument". - The Future of Broadcasting: A Report Presented to the Social Morality Council, op.cit., p.15. For a critique of the B.B.C.'s monopoly, see W.A. Robson, Public Enterprise, Allen and Unwin, 1937, pp.73-104. According to Coase, op.cit., p.144, Robson's was probably "the most influential of the contributions critical of the monopoly published during the period of the first Charter of the B.B.C.".
20. N.Z.P.D., Vol.245, p.817.
21. See Anthony Smith, British Broadcasting, David and Charles, 1974, pp.67-72.

one to consider the introduction of television in the late 1950s and early 60s. Instead, the British inquiries performed a vicarious basis for debate, as both Oppositions and Governments genuflected in the direction of principle while acting on the basis of political opportunism. When in Opposition, M.J. Savage, for example, could argue - in the face of the Coalition Government's Broadcasting Amendment Act 1934-35 - that "the muzzle is gradually being placed on this broadcasting service...I do not feel inclined to allow this to happen, and it seems to me that this House is entitled to use every effort to make broadcasting free to the people".²² The following year, however, Labour's control of the Treasury benches enabled a Governmental monopoly to be set up. Their actions were little different from those of their predecessors in Government who, as shown, had displayed diminishing enthusiasm for the idea of a broadcasting service independent - in part or in whole - from Governmental control. Nor during the course of the next 25 years would Governments of either political stripe break from this pattern.

One would, however, need to be blind to the realities of New Zealand's political culture to have expected otherwise. As Lipson, for example, put it in 1948: "The people, or at any rate most of them, look upon the state quite healthily as being themselves under another form. When it acts, they feel that they are acting. What it owns, they own. They do not endow it with metaphysical properties or ascribe to it any transcendental personality. To them it is simply a utilitarian instrument for effecting their will. If something requires doing which cannot be suitably undertaken otherwise than by organised public endeavour, then let the state do the job".²³ It may be that, from a distance of 40 years, New Zealanders' willingness to embrace a governmental monopoly of its broadcasting services indicates an astonishing degree of political and social immaturity. That this was the case is to say no more than that to achieve

22. N.Z.P.D., Vol.242, p.636.

23. L. Lipson, op.cit., p.482.

such maturity a people must first experience the insecurity of adolescence.

Thus, it was possible for the new Labour Government in 1936 to introduce legislation concentrating the control of all broadcasting in the hands of the state. Moreover, it could provide an answer to the "real" issues - B station popularity and coverage - by creating that year the National Commercial Broadcasting Service to run a string of local commercial stations which would not only provide popular entertainment but would also help to extend radio coverage throughout the country. In effect, the Broadcasting Act of 1936 foreclosed public debate on monopoly broadcasting for many years, until television appeared clearly on the horizon in the late 1950s. However, it by no means brought to an end the issue of competition, which during the next decade would shift in focus from competition between different forms of broadcasting organisation to competition within the broadcasting monopoly itself.

The creation of a state monopoly by definition left no room for the B stations, despite the Government's post-election confirmation that they would be allowed to "live".²⁴ Faced with the alternative of selling up to Government, or going out of business (the Broadcasting Act 1936 denied them the right to acquire revenue from advertising), all the B stations could do was to "fold their tents like Arabs, and silently steal away." Eighteen of the 22 sold out to the Government in the months following the passage of the Act.

The establishment in 1936 of a National Broadcasting Service, and a National Commercial Broadcasting Service the following year (see footnote 27), saw the emergence of competition within the state monopoly: between the national (non-advertising) stations on the one hand, and the commercial, community, stations on the other. The advent of the N.C.B.S., partly inspired by the Government's desire to undercut the monopoly enjoyed by the country's

24. See Protheroe, op.cit., p.135.

conservative press, also ended, once and for all, the argument about whether commercial broadcasting should be introduced into New Zealand: if there was money to be made in this area, the Government saw no reason why it should not reap the benefits.²⁵ Moreover, advertising revenue would enable the commercial stations to exist self-sufficiently, while licence fees would continue to finance the national stations.

The Government kept the two divisions apart by having both the Director of Broadcasting, Professor James Shelley, and the Controller of Commercial Broadcasting, C.G. Scrimgeour - each of whom received the same salary - responsible directly to the Minister. Shelley loathed commercial radio (see Chapter 4), and his sentiments were reciprocated by Scrimgeour. The latter was a close personal friend of the Prime Minister and Minister in Charge of Broadcasting, M.J. Savage, who had great confidence in him.²⁶ (Much Parliamentary debate on the setting up of the N.C.B.S. centred not so much on the principle, but on the fact that Scrimgeour was given the job of Controller, the Opposition regarding him with intense disfavour following the stormy pre-election years of B station controversy, culminating in the jamming of 1ZB.²⁷)

Within this overall state monopoly each division operated independently of the other, and in fierce professional competition with its rival.²⁸ When, in 1943, the two were amalgamated under Professor

25. See N.Z.P.D., Vol.245, p.751.

26. See N.Z. Radio Record, August 19, 1938.

27. See the debate on the Broadcasting Amendment Bill, N.Z.P.D., Vol.249 (pp. 83-114; 137-91, for example). The Bill (later the Broadcasting Amendment Act 1937) formally established the N.C.B.S. and, inter alia, provided for the appointment of a Controller (by the Governor-General in Council on a 3-yearly renewable basis), and legalised the appointment of Scrimgeour, who had taken the post the previous year.

28. See Mackay, op.cit., Chapter 9.

Shelley, partly because of the need to implement war-time economies, and partly because of the new Prime Minister's determination to get rid of Scrimgeour as Controller of the N.C.B.S.,²⁹ this competition remained, although it has been claimed that the commercial services were allowed to become something of a "poor cousin" to the national division.³⁰

The question of which system of control produced the "better" broadcasting would have to be determined by personal preference. Mackay for instance - an officer in the commercial division until he resigned in 1953 - is in no doubt, opting strongly for the period of independent control: "This was a period of expansion and development, and the listeners benefited from the dual system which appeared to suit New Zealand. There was something for everyone, a healthy spirit of competition was engendered, with the broadcasting industry striving to give maximum service."³¹ A contrary view has been given by Holcroft, who recalls that, "In spite of early robust efforts by commercial radio, the peaks of achievement were reached by both services after amalgamation. They were free in the 1950s to test the possibilities of radio. Rivalry continued but found its outlets within the N.Z.B.S."³²

In tracing the monopoly/competition theme back through these earlier years it is clear that from the outset, and notwithstanding

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29. Scrimgeour ran into trouble soon after the death of Savage in 1940. The efforts of Savage's successor, Peter Fraser, to have Scrimgeour removed from his post are described in Mackay, op.cit., pp.85-90; and in Scrimgeour, Lee and Simpson, op.cit., pp.118-126.
 30. See Mackay, op.cit., Chapter 10. That the rivalry remained high is testified to by J.H.E. Schroder (Assistant Director from 1949 to 1958; Director to 1961) who has recalled that the two divisions "hated each other's guts." - Schroder to writer, August 26, 1975.
 31. Mackay, op.cit., pp.86-87.
 32. M.H. Holcroft, "Radio: The Great Years", in New Zealand's Heritage, Vol. 7, pt. 94, p.2632.

the establishment of the Radio Broadcasting Company, private enterprise was not to be allowed anything approaching a free rein. Moreover, it had quickly become apparent to governments of the day that the most satisfactory use of resources demanded a nationally-organised system, and that such a system should be publicly-owned and operated. A system of centralised public control, which had its origins in the Wireless Telegraphy Act of 1903, was administratively convenient. It was also in sympathy with New Zealand's own social and political commitment to an egalitarian statism.

Private interests played an enormously valuable pioneering role, and continued until the mid-to-late 1930s to provide a highly popular service, but it could scarcely be said that their existence represented any strong philosophical commitment to the virtues of private enterprise broadcasting. Their banishment following the 1936 election consolidated a broadcasting ethos which for thirty years conceded no place to private interests who sought to break the publicly-owned monopoly.

CHAPTER FOUR: The Philosophy of New Zealand Broadcasting

This chapter focuses on the values - largely explicit, but also implicit - which have guided the development of New Zealand broadcasting, **and** have defined the pervading sense of "mission".¹ The concept of mission not only incorporates those "key values"² which serve to justify the organisation's existence and give it a sense of purpose, but it also helps shape what Vickers calls the "appreciative setting", in terms of which its successes and failures are perceived and understood.³ In Part Three emphasis will be placed on examining the

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1. See P. Selznick, Leadership in Administration, Harper & Row, 1957, ch 3. Says Selznick (p.65): "We may suppose that to govern is always something of a strain; yet it is surely less demanding to preside over an organisation that largely runs itself than to be confronted with the questions: What shall we do? What shall we be? These questions are hard enough in matters of personal guidance; they can be enormously complicated when the character and direction of a policy is at stake".
 2. Selznick, op.cit., p.60 says: "...where leadership is required ...the problem is always to choose key values and to create a social structure that embodies them". (His emphasis.)
 3. Sir Geoffrey Vickers, The Art of Judgment, Basic Books, 1965. Says Vickers (p.67): "Appreciation manifests itself in the exercise through time of mutually related judgements of reality and value. These appreciative judgements reflect the view currently held by those who make them of their interests and responsibilities, views largely implicit and unconscious which none the less condition what events and relations they will regard as relevant or possibly relevant to them, and whether they will regard these as welcome or unwelcome, important or unimportant, demanding or not demanding actions or concern by them. Such judgments disclose what can best be described as a set of readiesses to distinguish some aspects of the situation rather than others and to classify and value these in this way rather than in that. I will describe these readiesses as an appreciative system. I call them a system because they seem to be organised as a whole in ways to which I will return, being so inter-related that a change in one part of the system is likely to affect and be dependent on changes elsewhere. I will describe the current state of such a system as its 'setting', as we speak of the setting of a man-made regulator, to describe the governing relations to which it is for the time being set to respond....."

values promoted and maintained by the N.Z.B.C.'s leadership. However, the Corporation was not created in a broadcasting vacuum. It inherited from the N.Z.B.S. an appreciative setting in respect of the purposes of public broadcasting in New Zealand. Just what values were subsumed within these general purposes may be understood by perusing the public statements of those persons who played important leadership roles in New Zealand's nationally-organised broadcasting organisations.⁴

It is a truism that without technical facilities there can be no programmes. The development of any broadcasting system must be dependent upon the acquisition and installation of plant and facilities. Moreover, in an egalitarian society, and one which has tended to value material above intellectual achievement,⁵ the yardstick of this development is likely to be physical and demonstrable rather than abstract and speculative. This has been the case in New Zealand. The Radio Broadcasting Company's

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4. The methodological problem in this approach is acknowledged: what people say may not be what they really think, and actions may bear little relation to what is said. This is the difference between what Argyris calls "espoused theory" and "theory-in-use". (See C. Argyris and D.A. Schon, Theory in Practice, Jossey-Boss, 1974; and Organisational Learning, Addison-Wesley, 1978). No attempt is made to enter into this complex field here. Instead, the discussion here and in Part Three is based on the assumption that if organisational leaders espouse certain values and beliefs then they must be prepared to be judged by their willingness and/or ability to live up to what they proclaim. To that extent it may be assumed that what they say is what they believe. More importantly, however, the act of speaking publicly, of espousing certain values, is a principal means of changing the appreciative settings within which the politician or administrator works. Hence, it is perfectly legitimate to examine public statements on the grounds that these, in themselves, represent an observable form of purposive political action.
 5. Says L. Lipson, op.cit., p.494: "The New Zealander's mind is wont to grasp at the concrete and the tangible. His appraisal of men and measures is cast in terms of physical accomplishment, and 'practical' is the adjective of greatest praise in his vocabulary. Abstractions, theories, ideas - these are of little account or interest unless they can be immediately applied. Utility is the national yardstick, and the test of success fills the place that is vacant of principle".

principal brief was to establish a national radio service operating from (technically) up-to-date stations in the four main centres. The Company's stated objectives were: efficient plant and station equipment; efficient staff organisation; and attractive programmes - in that order.⁶ When it was replaced by the Board the main criticism was that the Company had failed to expand radio coverage to outlying areas quickly enough. Thus, when the Board was constituted in 1932, its first priority was to conduct a thorough investigation into coverage needs.⁷ It continued to place emphasis on the development of facilities during its four and a-half year existence (as evidenced by the fact that the Board's Annual Reports gave considerably more space to technical development than to any other single activity). The principal organisational objectives were those of physical growth - in terms of facilities, coverage, receiving licence numbers, and broadcasting hours. The imperatives of physical development were so strong that they could be seen to inhibit commitment to wider, more abstract, social responsibilities. With capital expansion dependent on revenue from receiving licence fees there was an incentive to treat programme affairs with caution. Offence was not to be given to any sector or group which might have been in a position to generate political opposition to radio's continued expansion.⁸

6. Statement by the General Manager, A.R. Harris, in N.Z. Radio Record, Vol.1, No.37, March 30, 1928.

7. In its first Annual Report, of December 31, 1932, the Board commented (p.1) that, "the question of coverage was deemed by the Board to be the most important of its problems, and a Commission was set up with instructions to report on the subject at the earliest practicable time." Mackay (op.cit., p.36) argues that, "the Company was undercapitalised. It succeeded in providing a coverage for the main cities, but accomplished little throughout its short career to consolidate its position with the many thousands of listeners who lived outside the four main areas of population. Failure to provide for these people was the rock on which the Company foundered..."

8. See E.A. Olssen, op.cit. He notes (p.144) that excessive caution in relation to controversial broadcasting seemed in part "a consequence of the determination to extract a 25s licence fee for every home; as the film industry has demonstrated so clearly, the wider the market sought in matters of this kind, the more careful the entrepreneur must be to adhere strictly rigidly to the policy 'No controversy, please'".

Until 1936 the leadership of the national broadcasting organisations - the Company and the Board - was in the hands of men whose backgrounds suggested that they were appointed in order to meet the principal requirements of facility development and sound business practice.⁹ The General Manager of the Company was a Christchurch engineering businessman, A.R. Harris, about whom it was said: "it would be difficult to find a man less qualified by nature and training to hold the important position of Director of Broadcasting.... To be a successful director...one should be a man of exceptional education and culture...."¹⁰ The General Manager of the Board was E.C. Hands, formerly of the Post and Telegraph Department, and a man described by Professor Shelley as, "a very old and tried public servant (who) knew what could or could not be done within the public service".¹¹ The original three-member Board comprised a public accountant (H.D. Vickery) as Chairman, a grocer (G.R. Hutchinson) and a farmer (L.R.C. Macfarlane). An enlarged Board of seven, appointed in 1935, included a Doctor of Music (S.K. Phillips), a lawyer (W.H. Cocker), an estate agent (E. Palliser), and a businessman (H.G. Livingstone). While the appointment of this enlarged Board suggested a growing awareness of the need for a greater diversity of interest to be represented on the controlling body, the Board soon became a "lame duck" administration after the general election later that year.

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9. Said the Postmaster-General, Adam Hamilton: "...it is necessary for the Government to...see that the Board is run on safe business lines, commensurate with giving as efficient a service as possible with the revenue at its disposal". - N.Z.P.D., Vol.230, p.658.
 10. W.H. McIntyre, in N.Z.P.D., Vol.230, p.804.
 11. Professor Shelley's farewell speech to staff, on tape in broadcasting archives, Timaru. Hands was widely respected (Mackay, for example, op.cit., p.57, calls him "the strong man" while denigrating the Board members. See, too K.G. Collins, Broadcasting, Grave and Gay, Caxton Press, 1967, pp.56-57). However, there is little evidence to suggest that he brought to his job the intellectual leadership that the position could be seen to call for.

It was when control was vested in a government department that a major turning point came in the emergence of a philosophy of broadcasting in New Zealand. The appointment of Professor James Shelley to the new post of Director of Broadcasting suggested that the overriding emphasis on physical development might give way to a greater concern with programme initiatives, reflecting a coherent interpretation of public broadcasting's social responsibilities. The appointment of Shelley - who held the Chair of Education at Canterbury University College in Christchurch - was widely acclaimed. According to the N.Z. Radio Record of December 11, 1936, Shelley was "one of the most cultured - and broadminded - men in the country", a man who would "raise the standard of broadcasting in New Zealand." One broadcaster of the day has recalled:

"The first day Professor Shelley took up his appointment we knew that here was someone different....We were to learn that this was the everyday professor, a university in miniature, willing to share his experience, his vast knowledge, his hopes, with any interested listener.... No matter what he spoke about he held one's interest, because you knew his was the voice of authority, of learning, of experience".¹²

It would be misleading to overstate the emphasis on physical as against programme development during the pre-Shelley years, just as it would be to understate the emphasis on capital development and physical expansion that took place after 1936. For example, soon after its inception the Board undertook a substantial piece of research to ascertain listener requirements, and significant programme advances ensued.¹³ And the Labour Government, fully cognisant of the mood of the electorate, did not hesitate to stress the need for progress in extending radio reception to all parts of the country.¹⁴ Nevertheless, as Smith has put it, "the -----

12. Collins, op.cit., p.119.

13. For an outline of the programme advances made by the Board, see Protheroe, op.cit., ch.9.

14. See, for example, the Prime Minister, M.J. Savage, quoted in N.Z. Radio Record, September 18, 1936; the Postmaster-General, F. Jones, in N.Z.P.D., Vol.249, p.84; and N.Z.P.D., Vol.275, p.442. The Service's annual reports often stressed the high receiving licence:population ratio.

nature of broadcast content is profoundly influenced by the idea of the audience which the communicator has in his head."¹⁵ Shelley had such an idea, a philosophy which encompassed three principal values.

First and foremost, he regarded it as imperative that radio be used to promote and maintain higher standards in the arts. "Whatever we can do for the arts in New Zealand," he said, "one thing we must do is to raise the standards all round. We cannot afford to put up with low standards, because to do so is to put up with a low standard of human beings."¹⁶ Shelley was continually insistent that whatever was broadcast had to be the best available. In this regard he was always at pains to stress the Service's efforts to secure the best overseas artists to perform for New Zealand audiences, and the most authoritative speakers on topics of interest.¹⁷ According to one who worked closely with Shelley, he regarded New Zealand as "virgin soil" in the field of cultural endeavour, and his principal mission was to raise the standards of broadcasting and so foster a higher level of artistic appreciation among New Zealanders.¹⁸ While, in deference to New Zealand's egalitarian ethos, he denied that he was a "cultural Moses" seeking to lead the country's radio listeners "out of the wilderness of lowbrow entertainment into a highbrow promised land",

15. Anthony Smith, The Shadow in the Cave, op.cit., p.244.
16. Reported in The Press, November 24, 1936. See Appendix A for additional material indicating Shelley's philosophy of broadcasting.
17. See items from the Service's annual reports, in Appendix A.
18. J.H. Hall to writer, August 4, 1975. On his appointment, Shelley acknowledged "how soundly the foundations of our broadcasting system have been laid by the excellent officers in the Service", and pledged to do his "utmost to raise standards and build up traditions upon these foundations that will be worthy of New Zealand." - Quoted in P. Downes and P. Harcourt, Voices in the Air, Methuen, 1976, p.103.

nevertheless his commitment to such a purpose is illustrated in his reply to a suggestion that New Zealand listeners preferred vaudeville to cultural enlightenment. "If the New Zealand

public really wants vaudeville then it is not the slightest use appointing me Director of Broadcasting. I am not thinking of what the casual listener wants to hear in 1936. I am thinking of what they will be having in 1945. If I cannot plan some big ideas for the broadcasting system then I will not be doing my job....Are we going to use such a tremendous instrument merely to fill in the gaps or as a background for the noises we make when we eat our soup? Anyone who uses it in that manner is a traitor to his country. I am looking forward to the time when people will go to their radios at certain regular hours of the day as being just as much their duty as to fill in their income tax returns. Is the attitude of mind of the person who wants to use radio for vaudeville the right attitude of a citizen? If it is then we might as well shut up shop. I should not like people to think that radio is going to be used only for educational and political purposes. There is no reason why people should not get just as much enjoyment out of their radios as they can get at present. They can have what they want, but they must have the best, so that in time they will be wanting something they did not want yesterday."19

Shelley's second key value, related to the first but different in emphasis, was the securement of social unity through a common appreciation of finer things. "The unifying value of music and the spoken arts", he argued, "is a most important substructure

to the understanding of life values, and has an incalculable value in raising the emotional discipline of a community. However clever we may be as thinkers, if we are undisciplined in regard to our feelings, then the State will fall to pieces just as easily as if our feelings were right and our thinking was inadequate."20

There can be little doubt that Shelley was a cultural elitist. As such, he had little regard not only for the "vaudeville" that many listeners obviously sought, but also for the activities of

19. Reported in The Dominion, October 22, 1936.

20. Reported in the N.Z. Radio Record, September 4, 1936.

commercial radio.²¹ These activities were seen by Shelley to be subversive of society's moral fibre. (The circumstances that resulted in the amalgamation of the two divisions of the broadcasting department in 1943, under Shelley's directorship, gave him the advantage in pursuing his cultural mission in the face of the commercial stations' popular appeal. The result was disillusionment on the part of some of those committed to a philosophy different from Shelley's.²²)

Thirdly, possibly because nearly half of his term as Director of Broadcasting fell during the years of the Second World War, Shelley espoused a strong belief that radio was a vital means of fostering tolerance and peace. He hoped that community attitudes would harden against the use of radio for propaganda purposes.²³ Radio, for Shelley, was a means by which reason

21. According to J.H. Hall (to writer, August 4, 1975) Shelley and Scrimgeour disliked each other intensely. While the dislike might have been based in part on personality differences, it stemmed also from the differing views that each man held of radio's role in society. To Scrimgeour, Shelley appeared a haughty highbrow bent on forcing culture down people's throats while, to Shelley, Scrimgeour appeared to be an irresponsible saboteur of broadcasting's "true" mission in society. See, too, Scrimgeour's disparaging comments on Shelley and the YA (national) stations in Scrimgeour, Lee, Simpson, op.cit., pp.63-64.
22. In May, 1946, the N.Z.B.S.'s advertising manager, S.H.J. Duff, resigned his post, a move which led "a leading advertising representative" to comment in The Dominion, of May 8, 1946, that it had become a job in which Duff was nothing more than a "yes" man, "a job where he is not allowed to use his own initiative, where discontent is rife and everybody works to a set of regulations which must be strictly adhered to - regulations prepared by someone whose one aim is to give listeners not what they want, but what he wants them to have." Not all the advertising fraternity were opposed to Shelley's handling of commercial radio, however. One Sinclair Carruthers of Radio Features Ltd, wrote in a letter to the Editor of The Dominion (May 23, 1946) that, "Professor Shelley took over an unhappy and somewhat odorous body three years ago. He has performed a number of painful operations to clean the sores, and to his credit has generally made it hygienic. For that the public owes him its thanks....The policy instituted by the Professor to clean up the service cut my company's earnings in half...(but)...I cannot but agree that that policy was right."
23. Shelley, reported in The Press, August 31, 1936.

could prevail over rhetoric, in the interests of democracy. Radio would "form an instrument for real democracy, based on a sympathetic understanding of all points of view, considered in the quiet environment of the fireside, instead of in the rather hectic emotional atmosphere of a great concourse of people or in the light of unsympathetic print."²⁴ During the war radio's predominant function was the maintenance of national morale and purpose. There was little scope for debate on anything else in respect of broadcasting's purposes.²⁵ Shelley closely identified himself with this function at the day-to-day operational level, personally reading the daily 9 p.m. news, and acting in plays specially produced to bolster the national morale.²⁶ These plays were greatly augmented by an influx of B.B.C. programmes which "became part of New Zealand life in wartime, providing services that were beyond the Dominion's own resources", and which "set standards that all good broadcasters would try to emulate when the war was over."²⁷

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24. Shelley, reported in the N.Z. Radio Record, September 4, 1936.
25. E.G. Wedell (Broadcasting and Public Policy, Michael Joseph, 1968, p.245) has commented: "The war years...ensured a 'closed period' for the discussion of broadcasting policy. Indeed, the momentum engendered by the B.B.C.'s unifying role during this period of national crisis tended to inhibit argument about the ends and means in broadcasting and the Corporation's role in this until the end of the 1940s".
26. Mackay, op.cit., p.84, notes that, "with the passing of each year of war, greater use was made of the broadcasting service, the programme consisting of talks by prominent speakers, special morale-building shows such as 'We work for Victory', and propaganda programmes such as 'This is War' and 'Tell the People'. It is gratifying to note that many of these programmes were produced by New Zealanders in the studios of the N.B.S. and N.C.B.S. or on location". J.H. Hall (to writer, August 4, 1975) confirmed that both Savage and Fraser "had a great regard" for Shelley.
27. M.H. Holcroft, "Radio: The Great Years", New Zealand's Heritage, Vol. 7, pt. 94, p.2626.

In his concern to promote standards and raise the levels of artistic appreciation, Shelley adopted an approach favoured by Reith of the B.B.C. Listeners to the national stations received a variety of programmes, thus ensuring that, whether they liked it or not, they would at intervals be "exposed" to programmes considered beneficial to them.²⁸ That the existence of commercial stations could subvert this strategy probably reinforced Shelley's dislike of them. Nor was the strategy accepted uncritically. One commentator argued that it was

"a simple fallacy that a jumble of incompatible programmes is desirable because it is 'good' for people. The basic fallacy is that those who want to give radio listeners 'what is good for them' assume a taste for good music is like a taste for beer - that if you have enough of it, you get to want it. This (is)...a pernicious fallacy - in practice it doesn't work out that way....The listener simply turns the knob."²⁹

(The Reithian approach also came under fire in Britain.³⁰)

It was not until after Shelley departed the scene, in 1949, that the N.Z.B.S. established the YC network, "designed to give listeners the choice of programmes planned on a consistently high level from the YC stations, programmes appealing to a wider range of taste from the YA stations, and light programmes from the YD and ZB stations."³¹ This innovation implicitly recognised the so-called "pyramid of taste" in the community and may have been viewed as an alternative means of raising the level of

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28. Reith's approach was summed up in his well known words:
"It is occasionally indicated to us that we are setting out to give the public what we think they need - and not what they want - but few know what they want, and very few what they need". - quoted in R. Rose, Politics in England Today, Faber, 1974, p.220. Shelley clearly approved of Reith: see item 9, Appendix A.
 29. G.H.O. Wilson, What's Wrong with Broadcasting: A plan for Radio in New Zealand, Paul's Book Arcade, 1946, p.13.
 30. See Altman et al, op.cit., pp.90-91.
 31. Annual Report of the N.Z.B.S. for the year ended March 31, 1951, p.2.

cultural appreciation. It had also been introduced in Britain by the B.B.C.³² On the other hand, it may have reflected opinion within the N.Z.B.S. that Shelley's mission was unrealistic or undesirable (or both), and that listeners should be able to pursue their own preferences. The latter view was held by J.H.E. Schroder, then Assistant Director, who was responsible for the introduction of the YC stations.³³

Shelley's aim was to use radio to bring to New Zealand audiences the best available overseas talent. He was also deeply committed to developing the country's own artistic resources. While the Board had moved in this direction before he came on the scene, Shelley brought considerable impetus to the task. Under his directorship the promotion of local talent became inextricably linked with another value that has come to characterise New Zealand's radio services during the past decades: the enhancement of local civic consciousness. In effect, this was a further manifestation - applied at the local community level - of Shelley's belief that radio was a "unifying" force in society. A National Orchestra had been established in 1946, and a year later the rather self-conscious objective of creating a national identity was given another boost with the introduction of "a supplementary policy - that of using radio as a local institution to serve as an instrument for developing the cultural life, artistic endeavour, and civic consciousness of towns and districts."³⁴ The local stations were to provide a grid through

32. The idea of the "Pyramid of Taste" was originated by Reith's successor, Sir William Haley, and rested on "the conception of the community as a broadly based cultural pyramid slowly aspiring upwards. This pyramid is served by three main Programmes, differentiated but broadly over-lapping in levels and interest, each Programme leading on to the other, the listener being induced through the years increasingly to discriminate in favour of the things that are more worthwhile". - quoted in A. Smith, British Broadcasting, op.cit., p.83.

33. Schroder to writer, August 26, 1975.

34. Annual Report of the N.Z.B.S. for the year ended March 31, 1947, p.2.

which the best local talent could be brought to national attention.³⁵

Under Shelley's direction, New Zealand broadcasting made major advances in the area of programme standards, and for the first time the traditional values of physical development were complemented by the vigorous promotion of creatively-oriented objectives. However, his contribution to the later emergence of vigorous news and current affairs broadcasting was far less marked. He was concerned to see broadcasting used as an instrument to foster a sense of sympathetic tolerance, which he felt was essential to democracy. His was essentially a Platonic viewpoint which stressed the virtues of a social consensus shaped by the "superior" minds of the community. According to Shelley, for example,

"it should obviously be the aim of a broadcasting service to transmit, honestly and simply, only such information as has the stamp of authenticity, as well as opinions that have the backing of mature minds and adequate knowledge. Broadcasting should bend its efforts to develop a spirit of trust and tolerance, and not succumb to the temptation to provide the superficial excitement of petty strife."³⁶

This conception undoubtedly rested easily with the paradigm of "overhead democracy" which underpinned the New Zealand political system during those years. And, perhaps to that extent, Shelley felt constrained in articulating his objectives for informational broadcasting. Moreover, the six years of war-time censorship, which marked nearly half of his term as Director of Broadcasting, provided a poor climate in which to stimulate news and current affairs broadcasting. Nevertheless, it is doubtful (a) whether Shelley himself understood that "the excitement of petty strife"

35. *Ibid.* Olssen, *op.cit.*, has argued that the establishment of these local stations was done more for "vote catching" purposes rather than for the reasons stated. Undoubtedly, politicians would have been eager to secure credit for the establishment of local stations within their electorates, though it is arguable whether this was the primary reason for their introduction.

36. Reported in N.Z. Listener, June 30, 1939.

could be generated through the legitimate pursuit of individual and group interest in a pluralistic society, and (b) whether, had he recognised public broadcasting's role in this process, by way of news and current affairs programming, he would have been effective in ensuring that it was fulfilled.

In short, Shelley was not, in the broad sense of political efficacy, another Reith. Any comparison between the two should not be pursued too far: broadcasting in New Zealand and Britain operated within very different social and political contexts (a fact not always conceded, or even understood, by those who looked to Britain for broadcasting precedents). New Zealand's egalitarian ethos, for example, was not naturally supportive of the Shelley strategy of giving listeners what he felt was good for them. At the more tangible political level, Shelley was the head of a government department, constitutionally under direct ministerial control, while Reith was the chief executive of a public corporation whose independence from day-to-day political supervision was constitutionally secured by means of a Royal Charter. The fact that Shelley's appointment was renewable every three years at the Government's pleasure would have created problems for any bureaucratic innovator bent on introducing changes that may have appeared threatening to his or her political masters. As Shelley himself recalled, "...every three years (my) appointment had to be gone over again and debated, and I can see the cabinet seriously asking themselves whether they should put up with this fellow any longer...I could simply have been told my appointment was not to be renewed...it's a bit trying when the three years is nearly up."³⁷

37. Shelley in his farewell speech to staff, tape recording in broadcasting archives, Timaru.

These factors notwithstanding, however, it is possible to say something about the respective abilities and inclinations of Reith and Shelley in regard to the acquisition and maintenance of de facto as distinct from de jure power. In this, Reith appears to be by far the more commanding figure. He was not only overwhelmingly influential in bringing about the establishment of the B.B.C. under Charter in the first place, but was also able to secure and protect the organisation's independence once its constitutional foundation had been laid.³⁸ As Smith notes, "The 1930s were the B.B.C.'s golden age. There were continued complaints against the overweening power of its monopolistic status, against high-handed cultural dictation by Reith, against the forcing of 'high standards' down the public throat. But the secure statute of the B.B.C. and its guaranteed income made it a place of great creative experiment. Its reputation grew at home and overseas. It dug itself deep into the roots of British Society."³⁹

There can be little doubt that Shelley's impact on New Zealand's broadcasting development has been, in its own way (particularly in regard to standards of programme preparation and presentation), as lasting as that of Reith's on Britain's. The essential difference between the two men was apparent at the interface between the professional and political realms.

38. "The evidence suggests that it was Reith's influence - increasingly propagated by Reith himself, his associates and his public relations department (established at the outset) - that led to the setting up, with the Crawford Committee's blessing, of a public broadcasting corporation under Royal Charter, financed out of licence fees, and with Mr Reith as its first Director General" - Altman et al, op.cit., p.13. P.P. Eckersley, the B.B.C.'s Chief Engineer till 1929, has written: "The form, content and influence of the broadcasting service as we know it today is the product of one dominant mind: it represents one man's conception of the role of broadcasting in a modern democracy. No one who is serving or who has served the B.B.C. has had any influence in any way comparable with that exercised by its first chief executive....He was the only man who made up his mind about policy, who knew what he wanted and who had the power and will to carry his ideas into practice." - The Power Behind the Microphone, Cape, 1941, p.55.

39. Anthony Smith, British Broadcasting, op.cit., p.62.

Shelley drew enormous enjoyment from his involvement in professional broadcasting pursuits. His nickname was "the lost Prof" - reflecting his many absences from the office while personally taking part in radio drama productions.⁴⁰ According to some who knew him well, he disliked being involved in controversy. Nor, by popular consent, was he any sort of administrator. He was a non-political animal and did not relish the fact that as a permanent head he had often to explain and justify broadcasting matters to a ministerial dilettante.⁴¹ Here there appears to be an important difference in personality between Shelley and Reith: the former was not predisposed to become involved in the political (in the broadest sense) activities demanded of high governmental office. Reith, on the other hand, was a man who fully understood that the "price" of commitment to particular public ends was political involvement.

Certainly, Shelley was able to raise the public appreciation of broadcasting standards (to alter, in Vickers' terms, appreciative settings); but he was here working in an area where virtually no political opposition could be expected. Who, after all, was going to question seriously an argument that New Zealand listeners should be able to enjoy the best in artistic expression, that at the same time every effort should be made to identify and promote local talent, that New Zealand broadcasting must play a major role in promoting a higher level of cultural appreciation in the country? True, such priorities did not enjoy unanimous support, particularly among members and supporters of the N.C.B.S. But the purpose which Shelley brought to New Zealand broadcasting in 1936, and pursued in subsequent years, rested

40. Bernard Beeby to writer, July 8, 1975. Beeby was Supervisor of Productions during Shelley's term of office, and a close friend.

41. The observations were supplied in interviews, dated above, with J.H. Hall, J.H.E. Schroder, and B. Beeby. According to Beeby, for example, Shelley "dodged controversy; he tried his best to please everyone". Schroder maintains that Shelley "hated" the political requirements of his job.

easily with prevailing governmental aims, particularly those stressing educational and cultural development.⁴²

News and controversial broadcasting - an area of acute political sensitivity - was a different proposition. It is apparent that Shelley refrained from making it a contentious issue. His concern that radio should be a vehicle for reason rather than rhetoric indicates that he had a conception of public broadcasting's responsibilities in this direction, but the realities of his position as a politically-appointed head of a government department seem to have diminished any urge he may have had to pursue the matter with vigour. As a critic of Shelley, Sir Thomas Hunter, argued in respect of the N.Z.B.S., "broadcasting

is not democratic in nature and can be made so only if all shades of opinion may be heard on the air. Before we reach this goal in New Zealand we have a long way to go. We have not forgotten the suppression of the series How Things Began...no time is allowed to those who wish to challenge the 'truths' or dogmas so frequently heard....Until all shades of opinion are heard on the air the totalitarian character of our broadcasting system will remain".⁴³

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42. As already noted, Peter Fraser, who was Minister of Education while Deputy Prime Minister, was an admirer of Shelley's. For an outline of the Labour Government's education policies see W.B. Sutch, The Quest for Security in New Zealand: 1840-1966, Oxford University Press, 1966, chapter 13. In broad terms the objectives were spelt out in a 1939 report of the Director of Education: "The present Government was the first to recognise that continued education is no longer a special privilege for the well-to-do or the academically able, but a right to be claimed by all who want it to the fullest extent that the State can provide." -Ibid, p.263. It was a period of intense governmental involvement in New Zealand's cultural development. See for example, W.B. Sutch, Poverty and Progress, Reed, 1969, p.333. A Statutes Amendment Act passed in 1943 extended the powers of the Minister in Charge of Broadcasting "to do all such things he considers to be in the interests of the community for the purpose of developing and improving broadcasting talent."
43. Letter to the Editor of the N.Z. Listener, July 1, 1949. Sir Thomas Hunter was at the time Principal of Victoria University College in Wellington. The controversy over the Broadcasts to Schools programmes "How Things Began" occurred in 1947. The series, designed to "satisfy the curiosity of children about the early stages of life on earth and the story of man", was terminated by the Minister of Education, apparently after a complaint by a fundamentalist (see Mackay, op.cit., p.121-2).

The word "totalitarian" may have been an exaggeration, and it may be that Shelley's professed opposition to the use of radio as a propaganda medium was an inhibiting influence on any designs the government might have had to pursue this further. However, if the democratic functions of radio were to be developed wholly or in part out of a creative tension between the government and its Director of Broadcasting, then Shelley (even allowing for the statutory insecurity of his position) was not the man to instigate and sustain such a tension.

Scrimgeour might have been such a man. Certainly, he was of strong political orientation, a man who appeared to relish controversial involvement, and a most able publicist - all of which was evidenced by his leading role during the era of the B stations, and subsequently during his time as Controller of the National Commercial Broadcasting Service. Whereas Shelley was committed, in Olssen's terms, to the concept of broadcasting as a "dispenser" of programme fare, Scrimgeour was acutely aware of radio's participative potential, and had innovated to exploit it.⁴⁴ It is possible that, in light of this, Scrimgeour might have perceived the possibilities of news and controversial broadcasting not so much in terms of high sounding democratic argument, but with an eye to any commercial potential inherent in these programmes. As it was, Scrimgeour was too political an animal for the peace of mind of Fraser's increasingly conservative Government.

44. The N.Z. Radio Record of December 11, 1936, observed that, "Professor Shelley...says that he will raise the standard of broadcasting in New Zealand. The professor is quite capable of doing this, for he is one of the most cultured... and broadminded...men in the country. The Rev. C.G. Scrimgeour, the new Controller of National Commercial Broadcasting, who has said nothing about raising the standard of broadcasting, but who, through his popularity and magnetic microphone manner, might quite possibly do so." According to M.H. Holcroft ("Radio: The Great Years", New Zealand's Heritage, Vol.7, Pt.94, p.2630), "under (Scrimgeour's) direction, ZB stations brought radio closer to the people, not only by channelling easy listening to their homes but also by fostering a sense of participation". Welfare sessions were one principal means of doing this.—See Annual Report of the National Commercial Broadcasting Service for the year ended March 31, 1939.

Whereas Shelley's contribution in this area was inhibited by political reticence, it is likely that Scrimgeour's would have been nullified by political brashness.

Shelley was the first person to set about the task of defining and articulating a mission for New Zealand's public broadcasting system. As The Press suggested in an editorial on Shelley's appointment, little progress had hitherto been made in the "exploitation of the wireless as a means of social and political education." The professor's appointment, according to the newspaper, would remedy the defect of having a system controlled by men "whose interests were technical rather than political and cultural...henceforth there (would) be less emphasis on the means of transmitting programmes and more on the programmes themselves."⁴⁵ The newspaper's prediction was accurate in the broad cultural field, but not so in regard to broadcasting's political functions.

This shortcoming evoked the frequent charge that under ministerial control a service independent of political interests would be impossible to achieve. Mackay's comment typifies this reasoning:

"Whenever the Minister feels inclined he can take the wheel and the Director becomes the navigating officer who steers a course laid out for him. There is no limitation of ministerial authority: he is at liberty to regulate the administrative process of the Broadcasting Department to suit himself and the interests of his party".⁴⁶

The independence Shelley sought and achieved, however, was the independence that would enable him, as a self-confessed cultural leader, to run the Broadcasting Service relatively free from what he likely saw as the undiscerning intervention of uncultivated politicians. He strove to promote the cultural purposes of the organisation in the manner that he, as a professional, saw fit.

45. Editorial in The Press, August 28, 1936.

46. Mackay, op.cit., p.111.

It is not possible to assess, with any certainty, the extent to which Shelley felt that he had succeeded by the time he retired in 1949. The N.Z. Herald, probably the Broadcasting Service's most persistent and harshest critic, commented at the time of his retirement that, "at first (he) made hopeful

public statements about what he proposed to do for the improvement of broadcasting, but it soon appeared that with Mr Savage as Minister he had practically no freedom of action. He lapsed into silence which was seldom broken thereafter, and listeners were hardly aware of his existence save later on as a reader of war news, a compere of recorded operas and occasionally a player in radio drama. The Government meanwhile treated the service as an instrument of Labour Party policy....Within this straitjacket, the Director managed to accomplish more than might have been expected. He reserved about one fifth of total time on the air for serious dramatic talent, organised much play production and developed the use of B.B.C. recorded programmes".⁴⁷

The war proved to be a stumbling block for Shelley's plans. In particular, it prevented the building of "a great broadcasting centre" in Wellington, which was to embody a national conservatorium for music and the spoken arts.⁴⁸ In his retirement speech to staff, Shelley estimated that he had achieved about one third of what he set out to accomplish. He paid a tribute to "the tremendous work for education and the arts generally that the present Government has done", and observed that, "as far as broadcasting as a cultural influence in the country is concerned we can regard it as having won a place in the platform of all political parties...I'd like to think I've had something to do with it."⁴⁹ An authoritative source has judged Shelley as being "less successful" as a public administrator, arguing that "his influence on the development of broadcasting in New Zealand was not strongly marked."⁵⁰ This judgement was not shared by

47. Editorial in the N.Z. Herald, April 18, 1949.

48. Shelley, quoted in P. Downes and P. Harcourt, op.cit., p.132. See ibid for an artist's impression of the proposed building.

49. Shelley in his farewell speech to staff, tape recording in broadcasting archives, Timaru.

50. A.H. McLintock, in A.H. McLintock (ed.), An Encyclopaedia of New Zealand, Vol. 3, Government Printer, Wellington, 1966, p.239.

those who knew and worked with him. In particular, the Editor of the N.Z. Listener was fulsome in his praise of Shelley's impact on New Zealand Broadcasting: "As clearly as the B.B.C. today is what Lord Reith made it with all his limitations and faults, the N.Z.B.S. will long remain what Professor Shelley has made it in spite of everything in him and it that has gone wrong..."⁵¹ In raising standards, and in securing - in a departmental context - a degree of professional autonomy within which radio's cultural mission could be pursued, Shelley achieved a notable measure of success in terms of the objectives he had set himself.

The impact of Shelley must be measured not solely in terms of his tangible achievements, but also, and more importantly, in light of what he as a person was seen, as Director of Broadcasting, to symbolise: in short, a commitment to the "best" in creative standards. This commitment, together with his standing within the education profession, raised him above party politics. In a way that Scrimgeour could never have been, Shelley was respected and accepted by both Parliamentary parties.⁵² This in turn appears to have been a source of frustration to some who opposed the exclusion of private enterprise from the broadcasting field, and who saw Shelley as being little more than a tool in the hands of the Labour Government. To one such critic, the Director of Broadcasting was "merely an animated pawn in a political chessboard to be moved and pushed at the nod and beckon of the Government..."⁵³ It is possible to suggest, in light of this scenario, that Shelley (who, according to O'Donoghue, was a socialist⁵⁴) retired in April, 1949, in shrewd anticipation of the change of Government that would come later that year. His directorship ran, of course, through virtually the entire period of the first Labour Government.

51. Editorial in the N.Z. Listener, April 22, 1949.

52. See, for example, N.Z.P.D., Vol.249, p.91.

53. A.F. O'Donoghue, The Rise and Fall of Radio Broadcasting in New Zealand, published by author, 1946, p.18.

54. See Ibid.

This, however, is too patent an argument. Shelley turned 65 - retirement age - in 1949.⁵⁵ He had spent 13 years in the job, and he was clearly eager to return to England (he departed soon after his retirement). Those who worked with him have testified to his apolitical personality: he was, in so far as broadcasting at least was concerned, not so much a socialist as a statist. "Broadcasting is too powerful an instrument to be in the hands of anyone except the State or an organisation responsible to the State", he had argued.⁵⁶ It is this brief statement which encapsulates an important truth about Shelley: his belief in the overwhelming importance of broadcasting in the life of the community; his political ineptitude, reflected in his failure to have much impact on the development of radio's democratic functions; and his own self-view as a public servant in the statesman-like role, uninterested in the intrigues of party politics and committed to a vision that transcends them. Anthony Downs, in his typology of bureaucrats, suggests that in most cases such "statesmen" are "doomed to be misfits in office".⁵⁷ Shelley was a misfit in that he was a vastly atypical public servant in an atypical administrative role. While he was able to achieve a great deal, his impatience with politics ironically seems to have prevented him from achieving considerably more.

Shelley's successor was the Assistant Director, William Yates, an administrator rather than a broadcaster.⁵⁸ Importantly, however, a man of acknowledged literary ability, J.H.E. Schroder, was appointed as Assistant Director, leaving his post of Assistant Editor of The Press. Schroder has recalled that he

55. He retired in April. His birthday was in September.

56. Quoted in the N.Z. Listener, April 7, 1961, p.4.

57. Anthony Downs, op.cit., p.111.

58. At the time of Yates' appointment, the N.Z. Listener, April 29, 1949, commented: "It is as an administrator that he is best known within the service". M.H. Holcroft (Reluctant Editor, op.cit., p.17) observed that, "William Yates was...a shy man, an efficient and trustworthy public servant...closer in interest to accountancy than to the creative side of broadcasting". According to Bernard Beeby (to writer, July 8, 1975) Yates, although he had a close interest in dramatic production, was "100 percent a civil servant".

was appointed after receiving a letter from a then, and since, unidentified friend informing him that if he wished to apply for the job, the Public Service Commission would consider his application with interest.⁵⁹ Schroder, a Master of Arts, was also a noted literary critic and author. (After his retirement from broadcasting he was granted an honorary D. Litt. from Canterbury University, and was appointed to the Queen Elizabeth II Arts Council, and to the Indecent Publications Tribunal.) His appointment meant that from 1936 until the inception of the N.Z.B.C. there was, in one of the two top broadcasting jobs, a person of stature in the arts.

According to Schroder, Yates gave him a free rein in programme administration.⁶⁰ In view of his journalistic background it is not surprising that moves were soon afoot to secure a more comprehensive news service for the N.Z.B.S. (see Chapter 2). Meanwhile, Schroder continued Shelley's emphasis on radio as a means of cultural development. In his opinion, his most worthwhile achievements either as Assistant Director (1949-58), or as Director (1958-61), were the establishment of the YC network in 1950, and the improvement and consolidation of the National Orchestra, together with a continuing priority of bringing to New Zealand top-line performers from overseas.⁶¹ Regarding the introduction of the YC network, Schroder strongly contests Mackay's assertion⁶² that credit for this was due to the Minister in Charge of Broadcasting, F.W. Doidge. Schroder maintains that it was well in hand before the advent of Doidge, who, on taking up office, asked whether there were any innovations being prepared. Doidge told Schroder that, as the new Minister, he wished to make his mark. Told by Schroder that it had become technically feasible to increase the power of the YC stations, and so provide national coverage, Doidge readily accepted the proposition that a new YC network - modelled on the lines of the B.B.C.'s Third Programme -

59. Schroder to writer, August 26, 1975.

60. Ibid.

61. Schroder's farewell speech, quoted in the N.Z. Listener, January 5, 1962, p.8.

62. Mackay, op.cit., p.109-110.

be introduced. Schroder also takes pride in the fact that it was on his insistence that John Hopkins was appointed conductor of the National Orchestra in the 1950s, ahead of two other older but, at the time, better qualified applicants who had been recommended by the External Affairs Department, but who, according to Schroder, wanted only to come to New Zealand to "sit on their arses" and take things easy. This account is less important for its content than for its reflection of the value Schroder placed on enhancing the cultural functions of New Zealand radio.⁶³

Charges that the N.Z.B.S. throughout the 1950s was a rather timid organisation, cautious not to broadcast anything that might upset the Government or offend other groups (see Chapter 2), continued to be made. Indeed, this view became part of the conventional wisdom about New Zealand broadcasting in that period (and in later years, as well). Schroder has contested this view, arguing that claims of political control over the N.Z.B.S. were exaggerated. According to him, Yates, and later himself as Director, enjoyed considerable autonomy of action. As professional broadcasting administrators they were allowed to get on with the job as they saw it. Particularly was this so when National's R.M. Algie was Minister. He was, in Schroder's view, a "first class Minister who could be relied on to carry his officials' recommendations through cabinet and Parliament."⁶⁴ Within this framework, Schroder - like Shelley before him - could feel that as a "professional" he enjoyed considerable freedom in pursuing broadcasting's cultural objectives. It must be noted, in particular, that the Broadcasting Act 1936 conferred on the Director total authority for programme expenditure.⁶⁵ (Other outgoings from the Broadcasting Account required Parliamentary appropriation.) Yet, as Chapter 2 shows, Schroder, and Hall, in their attempts to promote a major policy innovation in the field of news broadcasting, were heavily constrained by the

63. All remarks attributed to Schroder in the preceding sentences are from his interview with the writer, August 26, 1975.

64. Ibid.

65. Broadcasting Act 1936, Section 13 (1)(a).

departmental context in which they worked. For example, the constraints of anonymity which pressed upon them made their innovative task that much harder than it might have been for an organisational leader who had no such conventions acting upon him. In general, the problems are less for those departmental heads who work in harmony with their Minister towards policy objectives that enjoy the favour of both the department and the political executive. They are serious, however, for the departmentalist who might wish to pursue his conception of the public interest in the face of political superiors who - for whatever reasons - do not share that commitment.

It would have been problematical to have tried to foster public awareness of radio's deficiencies in this regard, and thereby have more public pressure brought to bear on the politicians. Perhaps aware that such a strategy would elicit a negative response from Government, Schroder was at no stage a vigorous publicist of broadcasting's aspirations, and the attempts to secure an expanded news service took place away from public scrutiny. This, in itself, did nothing to allay belief in the N.Z.B.C.'s timidity.

The definition and re-definition of organisational mission is especially important in the case of a public broadcasting organisation in a democratic society. It is more important, again, if that organisation happens to be a monopoly or near-monopoly. Given the widespread belief that broadcasting is strongly influential in shaping a society's values, it is imperative that the organisation make it clear as to how it interprets its functions and social responsibilities. It must develop, maintain and adapt a philosophy of broadcasting (Selznick's "mission") and, above all, seek to create and maintain a positive public identification with that mission. As Perrow puts it, "it is vital...for the organisational leader to transcend the technology of administration and to focus upon such matters as

organisational mission and character and the responsiveness of the inevitably bureaucratic, authoritarian organisation to a presumably democratic society".⁶⁶ This means that the organisation's leaders should be willing and able to stand apart from the organisation they administer, to free themselves from the constraints of day-to-day exigencies, and to take a broader view of the organisation's relationships with its environment. It involves asking questions: what business are we in? What are we trying to do? What ought we be trying to do? How have social expectations towards our enterprise altered? How may we adapt? Without such questioning, without institutional leadership, the organisation may drift; the vacuum left by the absence of a sense of mission may be filled by vested interests only tangentially concerned with the organisation's wider social purposes.

Broadcasting is a creative process. As such, it proceeds uneasily in a bureaucratic framework, in which creativity is threatened by a welter of rules, regulations and standard operating procedures.⁶⁷ The task of leadership in this situation becomes an intensely creative process in itself, and one which must be continuously sustained, given the pressures towards bureaucratisation which are exerted upon organisations.⁶⁸ Without leadership ossification may proceed apace. The leader may be continually fighting a losing battle; but fight it he must. One example of the type of leadership needed is provided by Reith. A more

66. C. Perrow, Organisational Analysis: A Sociological View, Tavistock, 1970, p.181.

67. As Merton has pointed out, "There is a margin of safety, so to speak, in the pressure exerted...upon the bureaucrat to conform to his patterned obligations...but this very emphasis leads to a transference of the sentiments from the aims of the organisation onto the particular details of behavior required by the rules. Adherence to the rules, originally conceived as a means, becomes transformed into an end-in-itself; there occurs the familiar process of displacement of goals whereby 'an instrumental value becomes a terminal value'".- R.K. Merton, "Bureaucratic Structure and Personality", in A.W. Gouldner (ed.), Studies in Leadership, Russell and Russell, 1965 ed., p.71.

68. See, for example, Anthony Downs, op.cit., esp. chapters 2, 4, 13, 21.

recent Director-General of the B.B.C., Sir Hugh Greene, provides another. According to Anthony Smith, Greene's method of leadership was "to take a considerable personal interest in crucial individual programmes, leave the rest alone, and gradually to lead the B.B.C. into a culturally 'vanguard' position".⁶⁹

Naturally, and particularly in regard to broadcasting, it is unlikely that the espoused philosophy will generate unanimous support, no matter how incontrovertible it might appear at first glance (witness Shelley's). But that is why leadership is necessary in the first place - to create a sense of direction out of a complex of conflicting wills. Again, if it is true, as Cleveland states, that, "for the first time in the story of man, the public administrator is more responsible for defining the purpose of his work than anyone else is",⁷⁰ then it is particularly true for a public broadcasting system in a democratic society. The need for highly developed leadership skills in the management of broadcasting - in short, the need for Thompson's "superb politician"⁷¹ - is further emphasised by the imperative of fostering a sense of direction which people within the enterprise (as well as those outside) can accept as their own. A myriad groups make up any large organisation. In broadcasting, such groups comprise people of widely diverse talents, interests and personalities, often people whose restless creativity does not mesh well with bureaucratic constraints. Because the "active" goals, which serve to justify the organisation's existence, are of necessity only broadly defined,

69. Anthony Smith, The Shadow in the Cave, op.cit., p.144. As Greene himself has argued (Sir Hugh Greene, op.cit., p.103): "Relevance is the key - relevance to the audience and to the tide of opinion in society. Outrage is impermissible. Shock is not always so. Provocation may be healthy and indeed socially imperative".

70. H. Cleveland, "The American Public Executive: New Functions, New Style, New Purpose", in Theory and Practice of Public Administration: Scope, Objectives and Methods, J.C. Charlesworth (ed.), Monograph 8, A.A.P.S.S., October, 1968, p.173.

71. J.D. Thompson, op.cit., ch.10.

considerable scope remains for the day-to-day "operative" goals to be defined at the lower hierarchical levels. In particular, professional values and expectations may compete with those prevailing at the executive (leadership) level.⁷² (This, as will be shown in Part Three, was a major problem confronting the N.Z.B.C.) The pressing task of leadership then becomes the reconciliation of internal demands with external requirements.

There are at the same time dangers in the entrenchment of organisational mission. The primary danger - it was perhaps apparent during the "reign" of Reith in the B.B.C. - is that the mission becomes insulated. Today's truth becomes tomorrow's dogma; and the organisation itself becomes caught in a cycle of stagnation and self-satisfaction which may ultimately undermine its prospects for survival. If the philosopher-king or the superb politician is needed, then there is also the inherent risk that the king will cease to be a philosopher, and that the politician will prove to be superb not in promoting and maintaining a sense of mission but in protecting his personal status and position against those who would challenge him. Bold and imaginative leadership turns into cautious and introspective managerialism; the leader loses his ability, or abdicates his responsibility, to retain a degree of detachment. He becomes immersed in the day-to-day technicalities of the task at hand. In such a situation, the public administrator is likely to look to statutes and regulations, precedent and official acceptability as being the sole source of his power. But as Follett has argued, "the powers of an administrator in a public corporation (do) not in the first place arise from the statutes or other instruments for which he (is) responsible, but from his relation-

72. For an insightful examination of organisational ends see E.C. Banfield, "Ends and Means in Planning", in S. Mailick and E.H. Van Ness (eds.), Concepts and Issues in Administrative Behavior, Prentice-Hall, 1962.

ships with the public with which his department (is) concerned."⁷³ To search for power in statutory titles requires little creative imagination; to search for it in the clash of public values, expectations, attitudes and opinion is a function of intense and unrelenting political and administrative endeavour. That function is called leadership.

Barnard established the point that organisations are permeable, that the idea of the organisation "boundary" is more apparent than real.⁷⁴ Organisations reflect the values, expectations, beliefs and attitudes of the wider social environment. But, more than this, they are also able to shape those values. In the interests of organisational stability, and even survival, it is imperative that they do. Rathgen and the New Zealand Inland Revenue Department provides one appropriate example; the United States Narcotics Bureau, another.⁷⁵ These arguments are particularly relevant to broadcasting, for it is in the nature of the beast that it is centrally placed to influence the values and attitudes existing in society. But in a democratic society an important question must be asked: by what right does the broadcaster decide? By what right, for example, did Reith determine that the B.B.C. should remain as a broadcasting monopoly? By what right did Shelley decide that a principal function of broadcasting was to raise the standard of New Zealanders' cultural appreciation? The short answer is that

73. L.J. Rathgen quoting Follett in D. McAllister, "The Philosophy of Administrator L.J. Rathgen", N.Z. Journal of Public Administration, Vol.31, No.1, September, 1968, p.43. Another who stresses this approach is Norton Long ("Power and Administration", Public Administration Review, Vol.9, No.4, 1949). He posits that, "the lifeblood of administration is power...power resources of an administrator or an agency are not disclosed by a legal search of titles and court decisions or by examining appropriations or budgetary allotments. Legal authority and a treasury balance are necessary but politically insufficient bases of administration. Administrative rationality requires a critical evaluation of the whole range of complex and shifting forces on whose support, acquiescence, or temporary importance the power to act depends".
74. Chester I. Barnard, The Functions of the Executive, Harvard University Press, 1938 (reprinted 1968).
75. See McAllister, op.cit., and D.T. Dickson, "Bureaucracy and Morality: An Organisational Perspective on a Moral Crusade", Social Problems, Vol.16, No.2, 1968.

they had no right to do so. Nor, in fact, did they seek to invoke any. Rather, they were engaged in the "search for legitimacy", the search for public acceptance of the values, causes and objectives for which they stood. Legitimacy was granted by public favour; it was not imposed by administrative fiat.⁷⁶

In a democratic setting where power is dispersed and a multitude of individuals and groups compete in the search for legitimacy, it is important that public broadcasting not be, nor be seen to be, under the control of any particular interest or set of interests. It must be granted a degree of independence to enable it to decide upon its purposes and how they might be achieved. In effect, a public service broadcasting organisation in a democratic society must be left to sink or swim. The problems inherent in this situation are enormous, as Smith indicates:

"Broadcasting...either takes place on a territory of enforced neutrality which becomes intellectually meaningless or it becomes a tyranny. When it finds a level of taste at which it can successfully aggregate its audience it becomes culturally valueless; when it occupies a higher ground in a spirit of dedicated intellectual exclusiveness it fails in its purpose of serving the entire society. These are the horns of the broadcasting dilemma."⁷⁷

The dilemma can be resolved only by adequate leadership capacity.

In conclusion, it can be said that Shelley in particular played an important leadership role. He set a new appreciation of standards, and introduced a cultural orientation that had hitherto been subjugated beneath an overwhelming concern with matters fiscal and physical. Both the Radio Broadcasting Company and the Broadcasting Board had been largely technical organisations concerned with expanding broadcasting facilities, and only secondarily with the provision of programmes. Shelley, however, was able to bring to the N.Z.B.S. the process and benefits of institutionalization. He was able,

76. See D. McAllister, "Political Belief and Administrative Reality", N.Z. Journal of Public Administration, Vol.32, No.2, March, 1970, p.45.

77. Anthony Smith, The Shadow in the Cave, op.cit., preface.

in Selznick's words, "to infuse with value beyond the technical requirements of the task at hand."⁷⁸ As he points out, "The test of infusion with value is expendability. If an organisation is merely an instrument, it will be readily altered or cast aside when a more efficient tool becomes available. Most organisations are thus expendable."⁷⁹ Certainly the Company and the Board were.

Schroder was able to consolidate the progress begun by Shelley, and to move - albeit cautiously - towards realising the explicitly political functions of public broadcasting as embodied in news (and current affairs) programming. As Holcroft commented at the time of Schroder's retirement, "his career is a pointed commentary on the fallacy that men of letters cannot be good administrators....A first class mind and a strong character are not often found together. When they are, we can be grateful for leadership."⁸⁰

78. P. Selznick, op.cit., pp.5 and 17.

79. Ibid, p.18.

80. Editorial in the N.Z. Listener, January 5, 1962.

CHAPTER FIVE: The Advent of the N.Z. Broadcasting Corporation

The formation of the Broadcasting Corporation was intimately bound up with the advent of television to New Zealand. Although preliminary investigations began as early as the late 1930s,¹ the introduction of the visual medium was delayed by successive governments, principally on the grounds of costs: "Few other services have been introduced after so much investigation and so many misgivings. There was an economic reason for hesitation. Equipment was costly and had to be imported using overseas funds, and Government feared that the demand for receiving sets would have inflationary results... The Government therefore studied a long series of reports from a departmental committee, listened carefully to Treasury, made reassuring statements, and postponed a decision until public impatience was becoming politically awkward."²

It was not until 1958 that it was announced that New Zealand would adopt the 625-line system for television transmission. Two years later, the Prime Minister, Walter Nash, made it known (on January 29, 1960) that the Government would introduce "a television system incorporating both commercial and non-commercial services."³ (A private, experimental station operated by the Bell Radio-Television Corporation of Auckland had been transmitting for up to three nights a week since July 1957. This station had been granted an experimental licence by the Post Office, on the proviso that no advertising or entertainment would be transmitted. It was closed down in September, 1960.)

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1. The Controller of the N.C.B.S., C.G. Scrimgeour, made an overseas visit shortly before the Second World War to examine the possible introduction of television to New Zealand. - Radio New Zealand taped interview, in broadcasting archives, Timaru.
 2. M.H. Holcroft, "The Power of Television", New Zealand's Heritage, Vol.7, pt. 104, p.2885.
 3. Reported in the Otago Daily Times, January 29, 1960. According to the Government, the introduction of commercial television would depend on the speed with which the viewing public grew. - Otago Daily Times, January 30, 1960.

The Government's announced intention to operate the television service reopened public debate on the control of broadcasting in New Zealand - a question that had laid virtually dormant since the creation 24 years earlier of a government department to control radio services. As previously, however, debate was defined mainly in terms of economic factors. Both major political parties argued that efficiency could best be enhanced through the type of control consistent with their own ideological perspectives. Hence, the Acting Leader of the Opposition described the Government's decision as "unimaginative socialist thinking." "We regret," he

said, "that private enterprise has been shut out....The operation of television in New Zealand will require considerable initiative, expert management and the taking of risks. It will also involve a realistic approach to costs and the ability to produce good programmes with due regard to economy. In all these respects we believe that private enterprise would have a contribution to make."⁴

The decision, he maintained, would cause a further drain on government's financial resources at a time when there were "many other more urgent and important calls on public funds". It was not a proper function of Government to operate a facility which was "largely a medium for popular entertainment".

Not surprisingly, editorials in the major daily newspapers opposed the Government's intention. The N.Z. Herald warned that, "from the standpoint of the public interest, danger lies in the fact that two powerful media of information, entertainment and mass persuasion will be under direct political control."⁵ The Herald's response was predictable, however, in view of the fact that, together with four other daily newspapers, it had formed a syndicate

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4. J.R. Marshall, reported in the Otago Daily Times, January 30, 1960.
 5. N.Z. Herald, editorial, January 29, 1960. The Otago Daily Times of the same date regretted that "any hopes which may have been entertained that a corporation would be set up to remove television, and radio also perhaps, from the stultifying influence of bureaucracy, have been dashed....Obviously the Government does not intend to lose the opportunity of directing this rather frightening medium of propaganda." The Dominion commented on February 1, 1960, that "the central failure of the Government's blueprint for television is the imposition of direct State control over the new medium in all its forms. The depressing effect of monopoly bureaucracy behind the television screen can be all too readily imagined."

advocating "alternative services, to avoid the dangers of monopoly, Government or otherwise."⁶ (The syndicate's submissions were made to an inter-departmental committee hearing public submissions on the introduction of television.⁷ The committee was originally set up by the Labour Government in 1949, but had been disbanded by the National administration. It was re-established in 1959 by the Labour Government to hear public submissions, but not to make recommendations to Government. The committee, chaired by the Director of Broadcasting, J.H.E. Schroder, reported to cabinet in October, 1959.)

The Labour Government justified state control largely on the values of cost and quality of service. It proposed the progressive establishment of a nation-wide television service mixing commercial and non-commercial content. Initially, the service would be non-commercial; the introduction of commercial television would be governed by the rate of audience growth.⁸ According to the Minister in Charge of Broadcasting, R. Boord, to "allow the

profits from the commercial side to be diverted from the general task of extending the coverage over as wide a field as possible would mean that television... would be limited to the four main centres, or would if extended under such a system to the smaller cities, become a charge on the taxpayers in perpetuity."⁹

6. N.Z. Herald, editorial, March 14, 1960.

7. According to the Government (N.Z.P.D., Vol.324, p.2616), 70 submissions were made to the inter-departmental committee on the control of television, of which only one advocated private enterprise control. (This was the submission from the Visual Investigation Syndicate, comprising the N.Z. Herald, The Auckland Star, The Northern Advocate, The Waikato Times, and The Rotorua Post, and advocating a system based on the British ITV model.)

8. Reported in the Otago Daily Times, January 30, 1960.

9. Reported in The Press, March 17, 1960.

There was also a strong suggestion that the Government feared a deterioration in programme standards should private enterprise be allowed control of television.¹⁰

The Government appeared to adopt the strategy of defining the issue as a choice between unbridled private enterprise on the one hand, and full state control on the other. Thus, Boord argued that the Royalist (a New Zealand warship) would be "immobilised if private enterprise took over television in New Zealand. The demand for qualified technicians would result in private enterprise television stations taking over all qualified men in the armed forces and also those from the Post Office and broadcasting."¹¹

While the Government could point to the alleged dangers of a television service controlled by private interests, it still had to answer charges that television ought not to be under direct political control, either. As noted earlier, during the 1950s there had been significant, though not intense, criticism of the N.Z.B.S.'s handling of controversial and news broadcasting. Timidity, it was alleged, stemmed from ministerial control of the radio services. The imminent arrival of television heightened this criticism.

The B.B.C. model - as it had in the 1930s - stood as a convenient example of what might also be possible in New Zealand. As the Crawford Committee had recommended back in 1925, a public corporation would act as "a trustee for the national interest" and would "enjoy a freedom and flexibility which a Minister of State himself could scarcely exercise."¹² By 1960, that indeed had proved to

10. Said the Prime Minister, Walter Nash (reported in The Christchurch Star, April 8, 1960): "It is not an exaggeration to suggest that in two decades, the beliefs, the tastes and customs of a very large part of the people of New Zealand will be based mainly on the impressions received from television.... It is the paramount duty of those who will control this new medium to guide it into beneficial paths and to watch for and to suppress its evil use."

11. Reported in The Dominion, February 25, 1960.

12. Quoted in B. Paulu, op.cit., p.14.

be the case. There had emerged in Britain "a general public confidence that Government will not dictate to the broadcasting authorities, nor the broadcasting authorities abuse their independence."¹³ That in the smaller, more homogenous, and more intimate New Zealand society with its concentration of political power at the centre the essential differences between a state department and a public corporation may be easily blurred,¹⁴ tended not to discourage those who saw the corporation as the appropriate form of broadcasting administration.¹⁵

Acknowledging that many people preferred a public corporation to control television, the Minister in Charge of Broadcasting dismissed the idea on the grounds that: (1) it would be outside the public service, and thus in competition with the state services; (2) it would be profit-making, thus less concerned with programme quality; (3) if tied down by Government restrictions it would be a rubber stamp of the Minister while having sufficient autonomy to blame him for restricting expansion; and (4) - the "most important disadvantage" - corporation control would negate the doctrine of ministerial responsibility.¹⁶ Accordingly, the Government's Broadcasting Amendment Bill provided, inter alia, for the Minister in Charge of Broadcasting to establish a television service, in association with the existing Broadcasting Service; the appointment of a Director of Television on the same terms as the Director of Broadcasting - not subject to the Public Service Act 1912; and the creation of advisory committees to advise the Minister.

13. The Future of Broadcasting: A Report Presented to the Social Morality Council, op.cit., p.61.

14. See, for example, R.J. Polaschek, op.cit., p.64. This question is discussed in more detail in Chapter 13.

15. For example, see editorial in The Dominion, November 29, 1960. Shortly before the Government's announcement in January 1960, the Social Credit Political League called for the establishment of a corporation comprising nominees of the people, representatives of organisations, the radio industry and government to ensure that the television service remained under democratic direction. - Reported in The Evening Post, January 22, 1960.

16. N.Z.P.D., Vol. 324, p.2617.

The Government tried to avoid being drawn into arguments about the political desirability of government monopoly control. Instead, it stressed the need for state auspices to ensure the maintenance of standards, and - perhaps more importantly - the sound integration of broadcasting within the economy as a whole. Boord maintained that any advantages arising from independent control by a board would "be offset by difficulties which would be created." If the state were to have control, he argued, a public corporation would merely create a barrier to the effective operation of that control. "Only the State is in a position to control the availability of the necessary receivers and transmissions, and to ensure that any ill-effects are reduced to a minimum."¹⁷ The writ of state entrepreneurship, which had run since 1936 in easy accord with New Zealand's political culture, should be allowed to run further.

For its part, the National Party promised that as a government it would appoint a public commission to exercise control over the introduction and development of television. While the new Broadcasting Amendment Act specifically prohibited the licensing of private television stations,¹⁸ the National Party's manifesto was ambiguous as to the role of private enterprise television. One of the duties of the proposed commission would be to give the "opportunity for private enterprise to provide programmes" and to grant licences for this purpose,¹⁹ but it was not clear whether private interests would be allowed to own and operate stations, whether they would only be permitted to provide programmes, or whether they could do both. The ambiguity reflected, in fact, division within the party.

17. Reported in the Otago Daily Times, January 29, 1960. Said another Government M.P., A.J. Faulkner, "If we control the corporation (advocated by the then Opposition) so that it is required to take into account the economics of the community, then we are only compromising; we are only camouflaging state management and control. We are calling it a corporation, which may make it respectable in the eyes of some people...but we are only fooling the people." - N.Z.P.D., Vol.324, p.2630.

18. Broadcasting Amendment Act 1960, Section 6.

19. New Zealand National Party, 1960 General Election Policy, Policy 20A.

The Deputy Leader's comment (reported above, footnote 3), together with a later assertion that if private individuals were prepared to advance money they should have the opportunity to establish television in New Zealand, suggest that he, for one, was prepared to throw the field open to private interests. He conceded, however, that "it may be right and proper for a Government to set standards."²⁰ But according to the Leader of the Opposition, the National Party's policy was that television should be jointly controlled by private enterprise and the Government, although nothing was spelt out as to what form such a joint arrangement might take.²¹

Further, the Minister in Charge of Broadcasting under the previous National administration, R.M. Algie, had maintained in 1955 that the Government should operate television since only it could provide the necessary nationwide coverage.²² (As noted earlier, Algie was held in high regard by Schroder, the Director of Broadcasting. It would seem the two worked well together and shared similar views on such matters.)

The uncertainty - even confusion - in the Opposition's thinking was clearly reflected in the comments of a prominent Opposition member during the debate on the Broadcasting Amendment Bill.

"I firmly believe", said Leon Gotz, "there is only one agency which can control television in the best interests of our people, and that is some agency of state....I believe private enterprise can do much of the planning, and do it better, because it has a greater contact with

20. J.R. Marshall, reported in the Timaru Herald, March 9, 1960. The Otago Daily Times of January 30, 1960, reported Marshall as saying "the State must set minimum standards and see that they are observed, but that does not mean that the State should go beyond that point."

21. K.J. Holyoake, reported in The Press, March 16, 1960. "We would, of course, reserve the right of making the rules for final control, but then Governments always do that."

22. N.Z.P.D., Vol.306, p.1214. By "the Government", Algie possibly meant "public enterprise", for by 1960 he was clearly in favour of a public corporation. - See N.Z.P.D., Vol.324, p.2632.

other parts of the world than a state-operated service would have....I know that no member on this side of the House would be prepared to hand over television to private enterprise. However, we should in the interests of the country, harness the resources of private enterprise. I visualise an opportunity being given to private enterprise to provide the capital, to provide programmes under Government supervision, and an extension of the service in accordance with terms and conditions laid down by the Government. Private enterprise I believe has more capital, and therefore it would be less expensive to the taxpayer to allow private enterprise to enter that field than to have a state monopoly. The expansion of the service would be more rapid and the development of advertising would certainly be more quickly advanced under a system of private enterprise than it would be by state agencies."²³

Such ambivalence towards the respective roles of the state and private interests reflected both a wariness of the possible effects of unhindered private operation of television and an ideological deference to the virtues of private enterprise.

In 1961, the new National Government was faced with the task of defining its broadcasting intentions in detail, committed as it was to the establishment of a television commission "to exercise control over the introduction and development of television."²⁴ (In fact, a regular television service had begun in June the previous year with the inauguration of channel AKTV-2, Auckland, operated by the N.Z.B.S.) The new Minister of Broadcasting, A.E. Kinsella, in announcing the establishment of a caucus committee to study the matter, asserted that one of the most important questions to be looked at was the role which private interests could play in television development.²⁵ He pointed out that the Government had already encouraged private enterprise in certain directions, for example, "many of the local news items featured by channel 2 in Auckland are supplied to us by independent film producers or 'stringers' as they are called."²⁶ This comment

23. N.Z.P.D., Vol.324, p.2651.

24. New Zealand National Party, 1960 General Election Policy, Policy 20A.

25. Press release from Minister's office, dated p.m. March 3, 1961.

26. Ibid.

not only indicated that the involvement of private interests in the operation and development of New Zealand television would be held at a low level, but it also accorded with the views of the Director of Broadcasting on this question. In a ministerial memo, Schroder had noted that, in respect of programme supply, "the door is wide open to private enterprise now, and the greater the traffic through it the better - provided the quality is maintained."²⁷ According to Schroder, at least five-sevenths of N.Z.B.S. sound programmes were supplied by private enterprise.

"Practically speaking, only the Broadcasting Service has the developed experience and the tradition of public service to set and maintain an appropriate standard in non-commercial programming. I do not wish to prejudge or seem to prejudge the issue between N.Z.B.S. and private conduct of commercial programmes; and therefore I merely record the fact that 12 years' observation of private commercial operation overseas does not encourage me to take the view that in New Zealand it would in theory or in practice set higher and more selective standards than the Service."²⁸

The caucus committee had also to grapple with the possibilities of establishing a television commission separate from the existing government department that operated the radio service. On this point, too, Schroder held definite views: "If the Commission's

authority is not to extend to sound radio, what alternatives to the present plan of finance and staff and establishment integration are proposed? (Note:- Without co-ordinated development, great and unnecessary damage may be done to the structure and stability of the sound broadcasting system and great capital and earning losses inflicted. This system has not cost the taxpayer 6d; on the contrary it has given him sensible relief; and it has provided resources from which television can be developed, again at little or no cost, and with prospective advantage to him."²⁹

His comments were persuasive. According to Kinsella, the deeper the committee went into the question, the more apparent it became

27. Memo headed "Television Policy: Notes and Queries," undated, but written early 1961, on N.Z.B.S. file.

28. Ibid.

29. Ibid.

that - financially, administratively and otherwise - the growing television system would have to rely on the personnel, technical and revenue sources of the already well-established sound broadcasting service.³⁰ The Broadcasting Corporation Bill, introduced in 1961, proposed therefore the creation of a public corporation to replace the N.Z.B.S. as the sole broadcasting authority in New Zealand, responsible for the control and operation of radio and television services.

The previous Labour administration had clearly been too cursory in its dismissal of the concept of corporation control. In justifying the change from departmental to corporation control the new Government could take careful aim at the target of politically-controlled monopoly.³¹

The proposal to remove broadcasting - which now included the reputedly powerful visual medium - from direct governmental control had, by 1961, far more appeal than in the early and mid-1930s, when an almost identical Parliamentary debate had taken place vis a vis the advent of departmental control and the demise of the Board. Yet much of the argument on this question in 1960 and 1961 remained as crude as it had been 30 years earlier. Then, images of Nazi Germany were invoked to denigrate state control; now the spectre of the Soviet Union was raised as well.³²

30. Speech notes drafted for the Minister, on N.Z.B.C. file 2/12/1, February, 1963. See also, N.Z.P.D., Vol.329, p.3406.

31. For example, the Minister of Broadcasting: "It (television) is particularly effective and dangerous as a political and social weapon especially when a monopoly is running it. It is more dangerous still when that monopoly is under political control....Absolute control, however paternal, means that there is always a danger of misuse. When a monopoly has control politically the danger of (sic) freedom of expression is even greater." - N.Z.P.D., Vol.329, pp.3322-3.

32. Said the Leader of the Opposition, K.J. Holyoake: "I am simply making the point that the Russians, who are more expert in ideological warfare than any other people in the world, realise the great potency of this propaganda medium and have made certain that the State has complete power and control over its administration". - N.Z.P.D., Vol.324, p.2622. See also, for example, N.Z.P.D., Vol.329, p.3322; and Vol.324, p.2632.

The Government could score points on this issue, but its decision to change from departmental to corporation control in fact was based not on its democratic sensitivities as much as on intra-party concern over the role of private interests in broadcasting.

The National Party's 1953 annual conference had voted to give private enterprise "the opportunity of establishing and operating a television system collateral with the New Zealand Broadcasting Service".³³ Four years later, the conference asked the Government to appoint a royal commission to investigate and report on "all questions relating to television" and "the advisability of perpetuating the present state monopoly of broadcasting."³⁴ And, in 1960, the conference sought to have direct control of television and broadcasting removed from the State and "carried out along the lines of the Australian Broadcasting Acts" (in effect, to establish a public corporation and to allow an opportunity for the private operation of radio and television stations).³⁵

A prime mover in each of these conference decisions, C.G. Costello, has recalled that the National Government of the 1950s resisted calls for television's introduction on the grounds of economic disruption.³⁶ Those considerations had to be weighed against party concern over a role for private enterprise in broadcasting. Hence, the debate in both the party and Parliament tended to focus not on the democratic ills or virtues of monopoly broadcasting, but on whether or not there was room for private enterprise in

33. Quoted in submission of C.G. Costello to Broadcasting Select Committee, House of Representatives, October 28, 1976, Appendix A.

34. Ibid.

35. Ibid.

36. Costello to writer, July 26, 1978. Said R.M. Algie: "As Minister of Broadcasting some years ago, I took a definite attitude in the way of slowing up the introduction of television. I made no secret of that. I took no positive steps forward...I took care to do as little as I could towards the introduction of television". - N.Z.P.D., Vol.320, p.1485. He considered the introduction of television to be a "relatively low priority" (p.1486).

the broadcasting field. This argument, consistent with the New Zealand preoccupation with utilitarian considerations, revolved around questions of cost and efficiency. As one commentator put it, "at a time when other countries are seriously concerned over both the control and effects of television, New Zealand blithely enters the field counting little but the cost."³⁷

The Parliamentary debate on the Broadcasting Corporation Bill was characterised by ideological perceptions of the benefits and evils of private enterprise participation. The Labour Opposition, with the support of the churches ("the corporation should be given the opportunity and the means to continue and develop the excellent work the N.Z.B.S. has done, without the threat of competition from commercial interests"³⁸), strongly opposed any suggestion that privately-operated stations should be licensed. A Labour Government would, on being returned to office, cancel every licence issued for private broadcasting.³⁹

The concern of the Opposition and the churches was directed at Part III of the Bill which would enable the Corporation to grant warrants for the establishment of private stations (both radio and television). According to Ross, Part III, subsequently included in the Act, "was a consequence of the balancing of

of a public corporation, and those who were inclined towards the continuation of state control.⁴⁰ But Part III left important questions unanswered: "a commission, yes. Some private enterprise, yes. But how do we vision the service which will be presented? How much under the direct control of the commission? Is the commission to hand over the present stations to private enterprise, or will private enterprise provide new stations?"⁴¹ The Government responded that it would be up to the Corporation to decide these matters. (The problems of this approach were foreseen by at least one newspaper: "The chief objection of the Bill is that the Corporation will be running the national stations but will be constituted a commission of inquiry when considering applications for private licences in any given area."⁴²) In practice, Part III was to prove virtually unworkable, and new circumstances would re-open once again the debate on private participation in New Zealand broadcasting.

Nevertheless, the Opposition did not dwell on arguments in favour of state control. The idea of a corporation - politically independent yet publicly accountable - was in better currency, although both parties were at pains to stress the achievements of the outgoing organisation (the Broadcasting Service).⁴³ This had not been the case during the two previous changes in broadcasting control, in 1931 and 1936. It reflected the fact that under the leadership of Shelley and Schroder the Service had been able to promote and maintain high professional standards and a sense of institutional integrity. It also, perhaps more importantly, stemmed from the fact that, as a government department subject to control by both National and Labour governments, the Service was assured of political friends in the Parliamentary court. (See footnotes 64 and 65, Chapter 11.)

40. K.P. Ross, thesis, op.cit., pp.27-28; See Broadcasting Corporation Act 1961, Part III.

41. Opposition member, H.G.R. Mason, N.Z.P.D., Vol.329, p.3005.

42. N.Z. Truth, October 17, 1961.

43. See N.Z.P.D., Vol.329, p.3325; pp.3341-2; and p.3402.

The change from departmental to corporation control in the early, 1960s cannot be seen as a political response to strong public feeling, however. (Had Labour won the 1960 election, continued state control of broadcasting undoubtedly would not have been beyond the bounds of public acceptability.) Rather, it evolved within the secret confines of an inter-departmental committee, and later a caucus committee. Both committees heard submissions from interested parties - the Government caucus committee which shaped the Broadcasting Corporation Bill heard evidence from 50 organisations and private individuals.⁴⁴ Yet, as argued elsewhere,⁴⁵ the advent of television would have provided an ideal opportunity for a Royal Commission to conduct a full and public examination of all questions relating to the operation and control of New Zealand broadcasting. The fact that this was not the case, that no such inquiry had ever been held, is indicative of the unwillingness of New Zealand's politicians to relinquish the partisan privilege of determining the administrative structure (if not, always, the professional substance) of the nation's electronic media.

A full public inquiry could have broadened public awareness of central issues, and provided a dispassionate assessment of the future requirements of New Zealand broadcasting. It was ironical that the British experience should so often have been used as the measuring stick in the restructuring of New Zealand broadcasting, for British broadcasting had been the subject of regular committees of inquiry. The shift from government department to corporation, retaining as it did a public monopoly, was fully in accordance with the tradition of broadcasting control in New Zealand. A public inquiry may have questioned the assumptions of this tradition, and provoked debate on a broader range of alternatives.⁴⁶ It may have addressed questions concerning public

44. N.Z.P.D., Vol.329, p.3328.

45. See R.M. Chapman, W.K. Jackson and A.V. Mitchell, New Zealand Politics in Action: The 1960 General Election, Oxford University Press, 1962, p.109.

46. See Sir Geoffrey Vickers, op.cit., for an insightful discussion of the ways in which committees of inquiry can alter the appreciative settings of decision-makers and of the public at large.

broadcasting's social and democratic responsibilities. It might have examined the technical possibilities of both media. Such an inquiry might not have produced a broadcasting system greatly different from that which emerged in the form of the N.Z.B.C. The point is, however, that there was a prime opportunity for a comprehensive assessment - not distorted by party political exigencies - of the possible alternatives for broadcasting development in New Zealand. But it was lost.

The Broadcasting Corporation Act 1961 came into force on April 1, 1962. (A copy of the Act may be found inside the back cover of this thesis.) According to the Minister of Broadcasting, the "crux (of the Act) is the establishment of the corporation outside of direct political control".⁴⁷ Yet it was clear from the Act itself that such freedom from political control was heavily circumscribed. It obliged the N.Z.B.C. to "comply with the general policy of the Government of New Zealand with respect to broadcasting", and to "comply with any general or special directions given in writing by the Minister pursuant to the policy of the Government in relation thereto."⁴⁸

Moreover, the Corporation was required to prepare estimates for its yearly expenditure, and to submit for the Minister's approval programmes of proposed capital works.⁴⁹ Importantly, no capital expenditure over £25,000 (\$50,000) could be undertaken without the Minister's consent.⁵⁰ In staffing policy, the Corporation was obliged to set staff salary levels and conditions of employment "in agreement with" the Public Service Commission (later the State Services Commission).⁵¹ In stressing that these statutory

47. N.Z.P.D., Vol.329, p.3323.

48. Broadcasting Corporation Act 1961, Section 11.

49. Broadcasting Corporation Act 1961, Section 29 and Section 12(2).

50. Broadcasting Corporation Act 1961, Section 12(3).

51. Broadcasting Corporation Act 1961, Section 17(2) and (3).

provisions were necessary to ensure that the Corporation's activities were consistent with the Government's overall economic policies, the Minister maintained that it would be impossible for the Government to use the Corporation for political purposes without exposing its action to the scrutiny of the public at large.⁵²

By justifying the creation of the N.Z.B.C. on the grounds of political independence the Government had taken the first steps in establishing a standard by which its relationships with the new organisation could be judged. Of equal importance, the creation of a comprehensive broadcasting news service coincided with the inception of the Corporation. This combination of circumstances, together with the later emergence of current affairs programming, would provide the setting for much of the controversy about broadcasting in the following years. In that respect it is appropriate to quote the prophetic words of an Opposition member speaking on the Broadcasting Corporation Bill in 1961, a member who, 12 years later, would be a cabinet minister in the third Labour Government: "The political history of New Zealand is strewn with the corpses of commissions, corporations, boards and the like. I believe in due course this one will encounter a similar fate."⁵³

52. N.Z.P.D., Vol.329, p.3324.

53. M.A. Connelly, N.Z.P.D., Vol.329, p.3359.

PART TWO - THE N.Z.B.C: A STRUGGLE FOR CONTROL

CHAPTER SIX: The Troublesome Triumvirate

The provisions of the Broadcasting Corporation Act 1961 were, in large part, the handiwork of Gilbert H. Stringer, who during the Act's drafting in 1961 was Assistant Director of Broadcasting (Administration). The holder of a Master of Commerce degree, Stringer in 1943 had been seconded to the then National Broadcasting Service as an accountant. He stayed, filling the posts of Assistant Secretary (1947-50), Administrative Assistant (1950-57), Chief Executive Officer (1957-58), Assistant Director, Admin. (1958-61). It was under his supervision that 17 new radio stations had been installed throughout New Zealand during the post-war years.

According to Stringer, his - indeed, the Service's - advice to the National Government in 1961 had been that it was "well nigh impossible" to establish a genuinely independent broadcasting corporation in a country the size of New Zealand, with small electorates, a dependent economy and an unwritten constitution.¹ Personally, Stringer preferred to see the continuation of the departmental system of broadcasting administration. Personal ambition may have influenced his outlook on this point.

He had been appointed Director of Broadcasting on 1 January 1962, in succession to Schroder, and was concerned lest his operating powers be undercut by a new body interposed between himself and his Minister, as a result of the new Government's proposal to establish a public corporation. Stringer was reassured on this point by the Minister, A.E. Kinsella: the new Director-General of Broadcasting would retain all the powers formerly exercised by the Director of Broadcasting under the structure of a full government department.²

1. Stringer to writer, October 7, 1975.

2. Stringer to writer, July 13, 1976.

The subsequent legislation retained the existing method of appointment of the Director-General (by Governor-General in Council, although now on the recommendation of the Corporation),³ eschewing the B.B.C. practice of having the organisation's chief executive officer appointed by the Board of Governors. Importantly, provision was made for the Corporation to delegate its powers to the Director-General,⁴ and references to the Director of Broadcasting in other Acts, Regulations, etc., were to be read as references to the Director-General.⁵

Stringer's concern at the establishment of a public corporation may, however, also be seen in the light of the impulse to preserve autonomy of operation. This was the professional independence of action that had been so important to his predecessors, Shelley, Yates and Schroder, who as successive Directors of Broadcasting had enjoyed full autonomy in respect of programme expenditure. Broadcasting should, it was felt, be left to the broadcasters, or at least administrators familiar with the requirements of what might loosely be termed the broadcasting profession. (Throughout the remainder of this thesis the term "broadcasting professionals" will be used in the loose sense to denote, in particular, those involved in news and current affairs programming, and more generally the staff engaged in producing and presenting programmes. No attempt is made to evaluate these occupations in light of the literature on the nature of the "professions", e.g. W.J. Goode, "Community within a Community - The Professions", in American Sociological Review, Vol.22, April, 1957. The use of the term excludes the "administrators" who, like Stringer, however, may have viewed themselves as "professionals" by virtue of their long-standing familiarity with broadcasting administration.)

3. Broadcasting Corporation Act 1961, Section 16 (2).

4. Ibid, Section 18.

5. Ibid, Section 16 (6).

Sensitive to the need for professional autonomy in this sense, Stringer's subsequent relations with the Chairmen and members of the Board were to turn on the question of their respective interpretations of their roles in the operation of the broadcasting system.

Stringer took the orthodox view that the Board was a policy-making body. This meant that the chief executive was responsible to the Board for the day-to-day activities of the system, and above all, for the protection of programme independence. (Interestingly, Burns has observed in regard to the B.B.C. that, "The English reliance on and delight in, lexical niceties is of immense practical utility....The choice of the term governors did in fact prove to be of decisive importance in subsequent attempts to define the role of the Board."⁶ In the case of the N.Z.B.C. and its successors, the neutral term "member" was, and has been, employed in the empowering statutes.)

Of critical importance was Stringer's view that as Director-General of Broadcasting (as distinct from the N.Z.B.C.) he was not responsible to the Board alone, or even primarily. Appointed as he was by the Governor-General in Council, although on the recommendation of the Corporation, he did not see himself as the Board's man. According to him, "the legislation was drafted on the

basis of the American constitution's principle of checks and balances. What we wanted was a Minister who was the means of communication between the Corporation and the Government. We wanted a Chairman and a Board to take over the policy-making function of the Minister of Broadcasting, and also to do the regulatory work. We wanted, too, a third leg of the triumvirate, the Director-General, who would be in charge of the professionals. The idea was that there could be no re-occurrence of people dominating the broadcasting system, as had happened, or appeared to have happened, in the past. We knew that if two people were for something, one would be against it. It was by this means that we tried to get independence, yet accountability."⁷

6. Tom Burns, The B.B.C: Public Institution and Private World, Macmillan, 1977, p.28.

7. Stringer to writer, July 13, 1976.

This interpretation was shared by Kinsella, the Minister of Broadcasting.⁸ Indeed, the first two years of the N.Z.B.C.'s existence, in contrast to subsequent years, were characterised by a smooth and cordial working relationship among the three parties (a fact attested to by all three).⁹ It was a situation in which the Director-General could be, and was, predominant. Not only did Stringer enjoy the advantages that flowed from his expertise and command of information in the face of the untutored Minister and Board, but also in Kinsella there was a Minister who understood the idea of independence for the newly-established Corporation and who was clearly reluctant to take responsibility for - and hence to seek control over - the organisation's day-to-day activities. The Director-General was also able to gain the confidence of the initial three-man Corporation.

At its first meeting - on March 14, 1962 - the Board decided to advertise in New Zealand, Australia, Canada, and Britain for applicants for the post of Director-General (the successful applicant was to be recommended by the Board to the Minister, hence to the Governor-General, for appointment). However, the decision was rescinded at the very next meeting, when it was decided to recommend that Stringer be appointed.¹⁰ At the March

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8. Kinsella to writer, May 18, 1976. According to Kinsella, he had been inclined to have the portfolio of broadcasting abolished altogether, but the Government had thought it desirable to retain it in the initial stages "to ensure that things were going along the track that Government intended."
 9. Kinsella to writer, May 18, 1976; letter from (now) Sir John Llewellyn to writer, October 28, 1975; Stringer to writer, October 7, 1975.
 10. N.Z.B.C. Board Minute, March 14, 1962; April 2 & 3, 1962. In a letter of May 31, 1976, to the writer, J.A. Stenberg, a Corporation member of the time, comments that "the first major duty of the Corporation was to appoint a Director-General. It was decided at the first meeting to advertise the position... but before the next meeting I suggested to the chairman that because of Mr Stringer's very suitable experience and his obvious ability he should be appointed forthwith and thus avoid the extra delay involved in the functioning of the... Corporation."

meeting, the Board also acted to place the Director-General in a strong position: he was "authorised to act within his discretion on behalf of the Corporation in its relations with the Government", and it was also decided that policy statements "in general should be issued by the Director-General on behalf of the Corporation". But more importantly, the Board resolved that "powers and financial authorities be delegated to the Director-General in the same terms as those last delegated by the Minister to the Director of Broadcasting".¹¹

The first Corporation comprised only three persons: two businessmen - Reeves Harris and James Stenberg - together with the Chairman, Dr F.J. Llewellyn, who was also Chairman of the University Grants Committee. Stringer found the three-man Board easy to deal with. Above all, he disliked the necessity of "teaching successive Ministers, Chairmen and Board members how to suck (broadcasting) eggs."¹² The three-man Board was far easier to handle in this regard than its seven-member successor. Llewellyn, for his part, recalls the working relationship as being "quite good": he regarded the Board as "a policymaking body...leaving the Director-General and his staff to take decisions in detail and get on with the job. It was for these reasons that I refused to have an office in the corporation building."¹³

Concerning Kinsella's interpretation of his role as Minister of Broadcasting, he had from the outset resisted arguments that he should be responsible to Parliament for the day-to-day activities of the Corporation. In the first two years of the Corporation's existence, the Opposition had expressed in the House its dislike of a system whereby a Minister could refuse to accept responsibility for the activities of what it still regarded as a full government department. As one Opposition Member, A.J. Faulkner,

11. N.Z.B.C. Board Minute, March 14, 1962.

12. Stringer to writer, October 7, 1975.

13. Letter from Sir John Llewellyn to writer, October 28, 1975.

put it, "this session the House had the new experience of finding that a state-owned asset is no longer in its day-to-day administration subject to criticism or review by Parliament."¹⁴ The same member was later to ask the Minister whether he "intended to accept responsibility for the accuracy of radio news, or did he not?"¹⁵

Kinsella's consistent response was that the day-to-day activities of the N.Z.B.C. were the affair of the Corporation, while the Minister retained certain powers which, he believed, "should be used sparingly and only in emergency."¹⁶ Questions on daily broadcasting administration, including programme matters, continued to be posed by members from both sides of the House, and the Minister was soon required to reply on the Corporation's behalf (see Chapter 11). Thus, as early as its first year (1962), and in spite of Kinsella's stance, the Parliamentary role of the Minister of Broadcasting became the same as it had been during the time of the departmentally-operated broadcasting system. This change was in Stringer's view, "the first sign that the N.Z.B.C. would not last."¹⁷

Anthony Smith has written that, "the politician, used to pulling the levers of power, finds that when he grasps the levers of broadcasting and pulls them the intended result often fails to transpire. He blames the personalities of the broadcasting world, or the techniques of journalism or bias, or untrammelled trivialisation, he fails to find within the broadcasting organisation anyone who 'understands' his point of view."¹⁸

14. N.Z.P.D., Vol.330, p.989.

15. N.Z.P.D., Vol.336, p.2506.

16. N.Z.P.D., Vol.330, p.992.

17. Stringer to writer, September 30, 1975.

18. Anthony Smith, The Shadow in the Cave, op.cit., p.135.

The first two years of the N.Z.B.C. were critical for the subsequent evolution of broadcasting's political autonomy. During 1962-63 the situation was promising. Kinsella's reluctance to involve himself in the affairs of the Corporation, and the Corporation's restraint in involving itself in the executive responsibilities of the Director-General suggested that the statutory break from full departmental control could be consummated in the form of an administrative framework that, in the context of New Zealand broadcasting, struck a hitherto unattained balance between the values of Parliamentary accountability and political independence. However, serious problems arose. The Government sought to grasp and pull the levers of broadcasting power; and the problems it faced in doing so led it to cast an impatient eye on the Director-General.

Several factors are instructive. Kinsella recalls that "at no time did K.J. Holyoake (the Prime Minister) interfere. His instruction to me was to create a type of organisation which was as independent as possible yet still remaining within the needs of the country."¹⁹ Differences developed between the Corporation's and the Government's interpretation of what "as independent as possible" was to mean in practice. While Stringer considered that the Act gave him all the leeway needed to protect the broadcasting staff from unwarranted political influences, he remained dissatisfied with two of its provisions. Both had been inserted in the draft Bill while he was overseas in 1961.²⁰

Firstly, he was unhappy with Section 17, which stipulated that staff salaries and conditions of employment had to be determined by the Corporation in agreement with the Public Service Commission. In 1964, the N.Z.B.C. asked the Minister for amending legislation "to bring the Corporation's staff conditions more in line with other public corporations" by omitting the words "in agreement

19. Kinsella to writer, May 18, 1976.

20. Stringer to writer, September 30, 1975. The clauses were inserted in the Bill at the insistence of the Public Service Commission and Treasury, respectively.

with the Public Service Commission."²¹ Six years later, in his retirement speech, Stringer commented that "as far back as the 1940s...it was my job to wheedle out of the Public Service Commission the privileges that we wanted to apply to our broadcasting staff. We had great difficulty in telling them that broadcasting was different from the Mines Department and the Agriculture Department. Of course they missed the whole idea of our place, which is entertainment and a service to the public... we always found great difficulty in overcoming the prejudices of the State Services Commission. I don't think they like us, or liked us."²²

Secondly, Stringer was strongly of the opinion that New Zealand's dependent economy required the Government to retain some measure of financial control over broadcasting, particularly in regard to the spending of overseas funds for capital expansion.²³ However, he also considered that the Act - which required that Ministerial approval be given for expenditure amounting to more than £25,000²⁴ - was too restrictive on this score. The Board agreed, and the Government was asked to increase the limit to £100,000.²⁵ It was not until 1970, however, that the ceiling was raised from \$50,000 to \$100,000, still short by half of that originally requested by the Corporation.²⁶

It was in regard to capital development that tensions arose between the Government and the N.Z.B.C. There were three main

21. Memo from Stringer to Minister, January 11, 1965.

22. Relay (N.Z.B.C. House Magazine), July, 1970.

23. Stringer to writer, September 30, 1975.

24. Broadcasting Corporation Act 1961, Section 12 (3). In Stringer's view, it would have been preferable to have removed this limitation altogether and instead have placed a statutory restriction on the extent to which the N.Z.B.C. could borrow. This would have ensured that expansion was funded out of income.

25. Memo from Stringer to Minister, January 11, 1965.

26. Broadcasting Corporation Amendment Act 1970, Section 2.

reasons for this. In the first place, the Corporation in 1963 embarked, with Government's approval, on a £7.5 million capital expansion programme to extend the fledgling television service over the whole country, and to up-grade and expand radio services. It was obliged to finance this entire plan out of its own operating surpluses. In 1961, Stringer, as Assistant Director of Broadcasting, had been able to face down fears of inflation by assuring the Cabinet Economic Policy Committee that this would be practicable in light of the increased revenue that would flow from television advertising.²⁷

This commitment gave the Corporation an effective lever in its quest for autonomy. Revenue from television advertising rose rapidly - aided by the N.Z.B.C.'s agreement to allow the licensing of private television translators to facilitate reception in areas which would otherwise need to await the installation of the Corporation's own facilities.²⁸ Consequently, the N.Z.B.C. was able to pursue its development aims with virtually no recourse to Government funds (£400,000 borrowed from the National Development Loans Account in 1962/63 was repaid five years later).

27. Stringer to writer, September 30, 1975.

28. See G.H. Stringer, "The Establishment of Private Television Translators in New Zealand," European Broadcasting Union Review, March, 1966. "It is estimated that up to 90,000 of the 415,000 receiving licences taken out so far are attributable to the spread of the private transmitting equipment." - p.24.

The increase in television advertising revenue for the years ended March 31, 1963, 1964, 1965 and 1966 are shown below:

	T.V. Advertising Revenue	T.V. Operating Surplus
1963	£ 513,476	£ 74,050
1964	933,873	654,664
1965	1,783,616	1,782,425
1966	2,153,700	2,053,922

The Minister, reported in The Evening Star of November 24, 1964, pointed out that the television receiving licence figures were increasing at a rate which put them three to four years ahead of projections.

It has often been suggested elsewhere²⁹ that the £25,000 limitation before Ministerial approval tended to make the Corporation unduly deferential to the Government's attitudes towards broadcasting. However, the N.Z.B.C.'s financial self-sufficiency in practice far outweighed any inhibiting effects that may have arisen from Section 12 (3) of the Act.

Secondly, and importantly in understanding the Government's attitude towards the N.Z.B.C. and in particular its Director-General, Stringer's administrative abilities and energies were deeply committed to the task of capital development. He was not slow to devise means of circumventing the need for Ministerial approval for expenditure in excess of £25,000. But his tactics did not - understandably - meet with the glad eye of the Government. The man who succeeded Kinsella as Minister of Broadcasting, W.J. Scott, recalls that Kinsella would sign capital development approvals uncritically: "but Stringer would come up with a

financial authority which was only a bit of what was a major project. He himself would use his own authority to approve say a couple of £5,000 items, then he'd get a £25,000 approval by not really detailing fully what the thing was."³⁰

The third factor that strained relations between the Government and the N.Z.B.C. was the fact that the Corporation could, and did, divert in the Government's direction criticism (not insubstantial from a population eager to avail itself of the benefits of the new medium) that expansion of the television service was not proceeding rapidly enough.

29. See, for example, G. Bick, The Compass File, Caxton Press, 1968, p.97; I.A. Johnstone, The Right Channel, John McIndoe, 1968, p.43; Alex Toogood, "How Independent is New Zealand's Broadcasting Corporation?", in Journalism Quarterly, Spring, 1969, p.108; and L. Cleveland, "The N.Z. Mass Media System: Problems of Broadcasting," in Political Science, Vol.22, July, 1970, p.40.

30. Scott to writer, May 10, 1976.

Thus, on the one hand, the N.Z.B.C.'s commitment to finance expansion from its own revenue gave it an important measure of independence from Government supervision; but, on the other hand, the provisions of the Act, in particular Section 12 (3), gave it a stick with which, albeit gently, it could beat the Government. For example, in its Annual Report for the year ending March 31, 1965, the N.Z.B.C. noted that "there are some factors

which tend to limit the speed with which the Corporation's development plans can be put into operation. The present requirement that such a major expansion plan must be financed almost entirely from the Corporation's own resources must govern the speed with which service can be provided to areas of New Zealand not adequately served."³¹

Nor did the N.Z.B.C. refrain from criticising the Government about the statutory requirement that the Corporation submit its annual building programme for Government approval.³² According to the Chairman, Dr Llewellyn, "the Government could and did exert a considerable influence on the rate of capital expenditure and consequently on the rate of development....The permitted rate could depend on the political attractiveness of the items on the programme."³³

Tension reached a new peak in November, 1964, when Llewellyn, the principal articulator of the Corporation's dissatisfaction, launched a strong public attack on the Government's "procrastination" over the N.Z.B.C.'s proposals for a second channel, submitted to the Minister nine months earlier. Arguing that the delay was becoming "serious", Llewellyn commented that, "the extremely rapid build-up of the television audience in New

Zealand - very much more rapid than was envisaged two years ago - has made it possible for the Corporation to accelerate the introduction of this second channel. We are prepared to proceed forthwith when Government finally makes its decision."³⁴

31. Annual Report of the N.Z.B.C. for year ending March 31, 1965, p.7. The comment was repeated in the reports for the years ending March 31, 1966, and 1968.

32. Llewellyn, reported in The Dominion, August 21, 1964.

33. Ibid.

34. N.Z.B.C. news release, November 6, 1964.

The Minister, W.J. Scott, responded that the Corporation's criticism represented a vote of no-confidence in himself as Minister.³⁵ The National Government may well have wished to keep its private enterprise options open on a second channel. Be that as it may, in Scott's view it would not have been politically feasible to authorise the introduction of a second channel when many parts of the country could not yet receive the first.³⁶

Significantly, Scott has recalled that "Both Llewellyn and Stringer were fairly quick-tempered people and you did not have to say much to get into a donnybrook. We had a session (after the release of the press statement) in which they were issuing threats about using a second channel to beat the press to death. They felt the newspapers had not been giving the N.Z.B.C. a fair go. This is when the first thought came to me that I'd have to enlarge the Corporation so that there could be better control exercised on the Director-General. I felt that this was Stringer's project, that Llewellyn was only firing the shots."³⁷

The Government's concern over the extent to which the N.Z.B.C. was flexing its muscles was enhanced by a dispute between the Corporation and the Post Office. This centred on the costs incurred by the Post Office in respect of issuing radio and television licences and investigating complaints of interference. Who should pay? Kinsella had attempted to resolve the dispute by invoking Section 11 of the Broadcasting Corporation Act which laid down that, "in the exercise of its functions and powers

under this Act the Corporation shall comply with the general policy of the Government of New Zealand with respect to broadcasting and shall comply with any general or special directions given in writing by the Minister pursuant to the policy of the Government in relation thereto."³⁸

35. Scott, reported in The Evening Post, November 7, 1964.

36. Scott to writer, May 10, 1976. Scott maintains that he had no thoughts "at that stage" about giving any second channel to private enterprise. His thinking on these lines evolved in 1966, during the "pirates" affair (see next chapter).

37. Scott to writer, May 10, 1976.

38. Broadcasting Corporation Act 1961, Section 11.

He gave a direction on how the fees were to be apportioned, but the direction was rejected on the advice of the Crown Law Office. It was considered to be an administrative matter and not one of "broadcasting" policy.³⁹ (The matter was finally resolved by legislative amendment in 1965.⁴⁰)

On top of all this, the New Zealand public's propensity to take their broadcasting grievances to the Minister of Broadcasting, in effect to hold the Government responsible for what the N.Z.B.C. was doing from day-to-day, heightened the Government's concern. And as the capital development plans proceeded, and as the novelty of television programmes held public attention, the profile of the N.Z.B.C. loomed large in the eyes of the populace. In the 1962 Parliamentary Session, for example, 25 questions were asked of the Minister of Broadcasting; in 1963, 24; 1964, 29; 1965, 39.

According to Scott, the Prime Minister, on appointing him as Minister, told him that the Corporation had "ridden rough-shod over Kinsella" and suggested that he (Scott) keep "a closer rein on them."⁴¹ (In Scott's view, the N.Z.B.C. had become too independent in its actions as, some years earlier, the original National Roads Board had done, before its empowering legislation was changed to enable the Minister of Works to be Chairman of the Board.⁴²)

The problem, as Scott saw it, was that the three-man Corporation was dominated by the Director-General. It had "bedded down" and was insufficiently diligent in its appraisals of the chief

39. Kinsella to writer, May 18, 1976. See footnote 32, Chapter 11.

40. Broadcasting Corporation Amendment Act 1965, Section 6.

41. Scott to writer, May 10, 1976. See, too, footnote 44, Chapter 10. Stringer (to writer, September 30, 1975) recalls a strained relationship between himself and the Prime Minister, K.J. Holyoake: "he wanted an 'independent' corporation only so long as it was pro-Government."

42. Scott to writer, May 10, 1976. According to Scott, the Government's intention in both cases had been to take the respective functions out of the political arena, but in the case of the N.R.B. its Chairman, F.M.H. Hanson, Deputy Commissioner of Works, had become too much a law unto himself. Stringer had shown like tendencies.

executive's activities and policy recommendations. Furthermore, in the Minister's view the N.Z.B.C. had become arrogant, and was not adequately responsive to public complaints. As Minister, he had to bear the brunt of public complaints against the N.Z.B.C., yet apart from Section 11 of the Act, which had earlier been found wanting, he had no power with which to match the responsibility that the public attributed to him.⁴³

On taking up office, the new Minister immediately experienced the Director-General's strong desire to preserve the status quo in regard to ministerial relationships. According to Scott,

"Gilbert Stringer was waiting in my office when I came back from Government House (after the swearing in). He said he wanted to pay a courtesy call but would like to get one or two things straight. The Minister was not responsible for the day-to-day running of the Corporation and he (Stringer) wanted him to adopt the same policy as Kinsella. The more the Minister kept his nose out of the Director-General's business the better it would be."⁴⁴

Stringer's attitude stemmed from his desire to acquaint the new Minister with the concept of "checks and balances". The triumvirate system had, in Stringer's view, been working well up till that point, except for the fact that the Minister had become obliged to answer questions in the House on operational matters. Stringer, perhaps sensing the Government's disquiet, was anxious lest there emerge any further challenge to the Corporation's independence.

Ironically, his desire to preserve the professional autonomy of the broadcasting staff tended to harden the resolve of Government against him. Perhaps he over-reacted in his first meeting with Scott. Whatever the case, the incident soured relations between the two men, and it hardened the Minister's determination to bring the Director-General to heel through the super-imposition of an enlarged and more critically-questioning Board.

43. Scott to writer, May 10, 1976.

44. Scott to writer, May 10, 1976.

In light of the method of appointment, one observer has noted that, "the current Director-General, who has held the position since the Corporation was founded, has performed his task in all timidity, ever fearful of the political sword of Damocles."⁴⁵ This is a distortion; for while the Director-General was appointed, in effect, by the Minister the appointment was made on the Corporation's recommendation. Likewise, the Director-General could be removed from office on the Board's recommendation, for "disability, bankruptcy, neglect of duty, or misconduct."⁴⁶ Thus, the Government required clear-cut reasons if it were to have the Director-General of Broadcasting replaced. Much political capital could have been made of such a move by the Government's opponents.

Stringer himself, according to Scott,⁴⁷ regarded his position as firmly entrenched by statute: he was eager to point out to the Minister that he (Stringer) could be removed from his job only if he criminally misbehaved, assuming that he retained good health, was not bankrupted and did not neglect his duties. Scott, however, felt that if he had wished to press the point he could have had Stringer removed to some other public service post. This was not done.

The difficulties that arose with the appointment of Scott to the broadcasting portfolio, were greatly intensified by the departure of Llewellyn as Chairman. In February, 1965, Llewellyn informed the Minister that he did not wish to be considered for re-appointment when his three-year term expired on March 31 that year. Reportedly, the "rising tempo of university development...made it necessary for him to devote his whole energies to the University Grants Committee."⁴⁸ There appears to have been something more,

45. Alex Toogood, op.cit., p.111.

46. Broadcasting Corporation Act 1961, Section 16 (3).

47. Scott to writer, May 10, 1976.

48. Reported in The Dominion, February 6, 1965.

however, behind his decision not to seek re-appointment. One factor may have been the second channel issue on which Llewellyn and Scott publicly clashed. Certainly, Stringer thought so: "he (Llewellyn) was not prepared to be humbugged about by the Government" - a reference to the perceived gap between the Government's declared reasons for deferring a decision on the second channel, the unfavourable economic climate, and its desire to leave open the private enterprise option.⁴⁹ But Llewellyn may have felt that his chances of re-appointment were slim in any case. Scott had told him that "he (Scott) would take a lot of persuading to re-appoint him" in view of Llewellyn's public statement alleging Government procrastination on the second channel. Scott regarded this as a stab in the back: he "had not submitted (the N.Z.B.C.'s) proposals to the Government...because of other discussions I had with the Corporation which would have been more beneficial to it, and which I had believed the Chairman and the Director-General were in agreement with."⁵⁰ (These proposals involved undertakings that the Corporation's existing capital development programme would be moved ahead at a faster rate. See footnote 49.)

Whatever the reasons behind it, Llewellyn's departure marked a crucial turning point in the evolution of the N.Z.B.C. The appointment of Charles A. McFarlane, a former Director-General of the Post and Telegraph Department, as Chairman was announced on April 21, 1965 - three weeks after the position had become vacant. The Government had found difficulty in finding a replacement. Part of McFarlane's brief was "to make the Corporation concept work", which apparently meant exerting greater control over the Director-General. Recalls McFarlane: "The Corporation

49. As reported in The Evening Star of November 24, 1964, the Government deferred consideration of the introduction of a second channel "in the meantime". The decision was made "in light of the general economic situation." The Government, however, had "agreed in principle" to an acceleration of the extension of the primary television service to all parts of the country.

50. Scott, reported in The Evening Post, November 7, 1964.

had its meetings once a month. But in the meantime all the work was really being done by the Director-General, and the Board didn't appear to have much impact at all. In fact there wasn't even an office for the Board.... It was up to me to go in and create a Corporation that would work."⁵¹

The issue of whether or not the Chairman and the Board should have permanent accommodation at Head Office was of considerable symbolic - if not practical - significance. As noted earlier, Llewellyn had not sought an office, believing that it would impinge on the respective roles of the Chairman and Director-General. On the other hand, one of McFarlane's first actions was to seek an office for the Chairman. Stringer resented it, evoking the response from Scott that, "you had better find an office for the new Chairman or I will come over and find one for him - and it might be yours."⁵² This incident signified the increasingly active role that the Board would come to play in the management of the N.Z.B.C. The three-man Corporation under Llewellyn had held its monthly meetings in the existing conference room in Head Office. No special facilities had been built to accommodate the Board. McFarlane's request for an office - an expansive and expensive Corporation suite was subsequently built down the corridor from the Director-General's office - seemed to be a perfectly reasonable one. But Stringer saw that it heralded the assumption by the Chairman of a far more active part in the day-to-day administration of the N.Z.B.C.⁵³ The balance of powers that had operated during the time of Kinsella and Llewellyn had been upset by the advent of Scott and McFarlane.

Stringer's principal concern at this stage was to preserve the relationship that had existed between the Chairman and the chief executive. In theory, this meant that the Chairman would deal

51. McFarlane to writer, May 14, 1976.

52. Scott to writer, May 10, 1976.

53. Stringer to writer, July 13, 1976.

with matters of broad policy, while the Director-General would be responsible for the on-going management of the N.Z.B.C. In practice, it meant that the chief executive would be the dominant partner in the running of the broadcasting system. In Stringer's view, such a situation was essential in order to protect the "programme independence" of the Corporation's staff: "as long as the Director-General was responsible for programmes, the Board had to go past him to get at the staff. This they could not do so long as the Director-General was appointed by the Governor-General in Council, or had his appointment confirmed by the Act."⁵⁴

Stringer's problem was that his concept of "checks and balances" was not necessarily shared or understood by others. Both Scott and McFarlane considered that the only significance of the method of appointment of the Director-General was that it made corporate management of the N.Z.B.C. untenable. They considered that the Director-General could, and did, usurp the powers of the Corporation. Worse, they believed that Stringer used his method of appointment to play the Board off against the Minister, and vice versa. According to Scott: "I never saw the minutes of

the Corporation - I got nothing unless I asked for it - and I had a suspicion that things I was referring back to the Director-General for policy decisions were not always going to the Corporation. I used to have McFarlane and Stringer over on their own, and I reached the stage where I had McFarlane there as often as I had Stringer, because he (McFarlane) was coming to tell me all the problems that he was having. After some months one of the Corporation members said to me that when I invited them over they would prefer that I did not have the Director-General present, because there were some matters they would like to raise with me in his absence. I found out from their approaches to me privately that if the Corporation wanted Stringer to do something that he didn't want to do he would say he was responsible to the Minister, and if I suggested he might do something he'd say his responsibility was to the Board. He played us off quite a lot."⁵⁵

54. Stringer to writer, October 7, 1975.

55. Scott to writer, May 10, 1976.

Yet if Scott saw that Stringer could play the one against the other, Stringer also believed that the Minister did the same thing: "the big problem occurred in my administration when one

day the Minister (Scott) said to me 'I had the Chairman over here on Thursday, has he told you of our discussion?' I could have bitten my tongue off: the moment I said 'no' I knew I was scuppered, because from that moment - and I would have done the same myself - we were divided and conquered. Not only did he do it to me, but to the Board also in the same process."⁵⁶

The triangular relationship obviously afforded considerable scope for the spinning of an intricate web of intrigue. On the one hand, the Minister was keen that his own influence could be exerted over an obstinate chief executive by allying himself with a Board that would be willing and able to assert itself more strongly in the administration of the N.Z.B.C. On the other hand, they were confronted by a Director-General acutely jealous of the independence he considered was entrusted in him by statute. The tension generated was substantial, and is a crucial factor in understanding the evolution of the N.Z.B.C. in subsequent years, particularly from April, 1966, when a new, enlarged Board of seven members came into existence following statutory amendment the previous year.⁵⁷

The experiences of the troublesome triumvirate clearly show, if illustration is needed, that administrative - or power - relationships cannot be determined by recourse to statutory provisions alone. In the early years of the N.Z.B.C., considerable energies were expended on the critical task of shaping the rules and roles that would govern relations among the members of the triumvirate. Different expectations in regard to those roles were brought to their tasks by Llewellyn and McFarlane, and by Kinsella and Scott. Statutory amendments which later served to enhance the power of the Board at the expense of the Director-General, did not so much shape these differing expectations as result from them.

56. Stringer to writer, October 7, 1975.

57. Broadcasting Corporation Amendment Act 1965, Section 2.

CHAPTER SEVEN: The Taming of the Director-General

Charles A. McFarlane was appointed Chairman for the three-year period until March 31, 1968. As Director-General of the Post and Telegraph Department (he had retired from this post in 1960), he had been asked by the Government, in 1957, to make some observations on the control of broadcasting while attending a postal conference in Ottawa. McFarlane suggested to the Government on his return that, on the introduction of television in New Zealand, a system of corporate broadcasting management should be introduced, similar to that then proposed for the Canadian Broadcasting Corporation.¹ Under such an arrangement, the Chairman of the Corporation would also be the organisation's chief executive officer. In McFarlane's view, if this were not possible then at least the chief executive should be a member of the policy-making body, like the managing-director of a private company. A student of public administration,² he recognised that the distinction between "policy" and "administration" was an artificial one. To ensure effective corporate management any policy-making body needed control over the chief executive officer to ensure that policy decisions were implemented. McFarlane assumed the Chairmanship of the N.Z.B.C. with these attitudes firmly in mind.

Importantly, McFarlane's views on what should be the correct relationship between the Corporation and the chief executive officer accorded with those spelled out by Lord Normanbrook, then Chairman of the B.B.C. Board of Governors:

"It is, of course, very easy and simple to say that the Board is concerned with policy and the staff with execution. But in practice this does not mean very much unless you are able to say clearly where policy stops and execution begins ... no hard and fast line can be drawn between a body of persons concerned only with formulating policy and another body concerned only with carrying it out. Minor decisions of policy must necessarily be taken below Board level ... and conversely, the Board cannot deal solely in generalities and must address itself from time to time to particular questions... just because they are in themselves of outstanding political or public importance...

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1. McFarlane to writer, May 14, 1976.
 2. McFarlane had gained a Diploma in Public Administration from Victoria University of Wellington. He was a past president of the N.Z. Institute of Public Administration, and in 1960-61 had been director of studies at the N.Z. Administrative Staff College.

The Board is, in fact, an integral part of the B.B.C.: it is the final source of decision, not only on general policy, but on specific issues which are of sufficient importance to call for decisions at the highest level within the Corporation. A decision taken by the Board or by its Chairman ... is still a decision taken within the Corporation: it is in no sense an 'intervention' from outside."³

McFarlane placed no importance on the fact that the Director-General of Broadcasting was appointed by the Governor-General in Council, and not by the Corporation itself as was the case with the B.B.C. In his view, this arrangement was merely a carry-over from the days of the N.Z.B.S., of no significance in itself, and certainly not aimed at giving the chief executive officer a degree of independence from direct control by the Board.⁴ Hence, there was a fundamental difference of opinion between the new Chairman and the incumbent Director-General as to their respective administrative roles.

The new Chairman took up his duties in April, 1965. He soon experienced problems. He was resident in Wellington; one of the other Board members was from Auckland, the third was from Christchurch. The two met the night before each monthly Corporation meeting in their hotel to go through the next day's agenda. They could, in effect, "gang up" against the Chairman. One such instance prompted McFarlane to offer his resignation to the Minister. The Chairman was outvoted, on the Board, in respect of the action the N.Z.B.C. should take over the dispute with the Post Office on the apportionment of licence fee costs and expenses incurred in interference detection and suppression. As a former Director-General of the Post Office he had considerable sympathy for that department's position in the dispute. But his dissent was based on the fact that at the time of the particular Board meeting Cabinet had yet to consider a paper on the question. Any unilateral action by the N.Z.B.C. would, in McFarlane's opinion, have been untimely. He would resign if the Board's decision were not rescinded. The other two members reconsidered, and the whole

3. Rt. Hon. Lord Normanbrook, The Functions of the B.B.C.'s Governors, B.B.C. Concert Hall Lectures, December, 1965, pp. 10-12.

4. McFarlane to writer, May 4, 1976.

matter was subsequently expunged from the minutes.⁵ McFarlane sought the appointment of a larger Board, a proposal which was sympathetically received by the Minister in light of the difficulties he was also having with the Director-General. In Scott's view,

"I felt that three was no good. Five or six would not rubber-stamp everything that goes before the Corporation, from the Director-General. At least they'll ask questions, and will give closer examination of what's going on in the N.Z.B.C."⁶

The Government's, in particular Scott's, desire for a more active Board was not based on any feeling that at the executive level the N.Z.B.C. was being incompetently administered. Rather, it can be said that, having established a public corporation on the grounds that the country's broadcasting services, especially television, should not remain under direct governmental control in the form of a department, the Government soon came to feel that the chief executive of the new organisation was inclined to over-estimate the degree of independence that had been granted by statute.

The enlarged seven-man Board came into existence on April 1, 1966. Of all-male membership, it comprised, apart from McFarlane as Chairman, a lawyer (R.K. Trimmer), a newspaper general manager and former journalist (D.F.C. Saxton), and three businessmen (G.E. Stock, J.B. Price and R.J. Laurenson), in addition to serving member and businessman, Reeves Harris. (The other original member, James Stenberg, did not seek a further term from April 1, 1966). Scott considered it to be advantageous that more than half the members (Stock, Price, Laurenson, and McFarlane) resided in Wellington:

"they were the type of people that would be having lunch periodically and they could chat over things that came up urgently."⁸

5. McFarlane to writer, May 4, 1976.
6. Scott to writer, May 10, 1976.
7. Scott to writer, May 10, 1976.
8. Scott to writer, May 10, 1976. Scott's private explanation does not tally with his public one: he told the House that the idea to increase membership came when it was not possible to have a meeting because two members were ill.-N.Z.P.D., Vol 344. p. 2566.

A matter that was to be the subject of controversy in later years - during the 1972 public inquiry into the dismissal of the Editor of the N.Z. Listener - but which passed relatively without comment at the time, was that this solidly professional/businessman group could be seen to have a political bias. As one observer has since commented,

"all the new members appeared to be at home in Government circles: one of them (Laurenson) was a liaison officer for the National Party."⁹

(Harris, too, according to Scott, was "a tower of strength for the National Party in Christchurch"¹⁰.) This matter will be examined further in chapter 10.

Stringer's relationship with the new Board was strained. Not only did he now have to deal with an enlarged Board, but it was one which quite soon made it clear to him that it was intent upon playing a more active administrative role than its predecessor had done. For his part, Stringer regarded the Board members as non-professionals who, if allowed to satisfy their desire to involve themselves in the day-to-day operations, could be expected to detract from the competent administration of the organisation:

"They could, after determining policy, hold the Director-General to account for the administration of that policy. But when all the professionalism is at the executive level and the Board has little or no broadcasting professionalism then it's very difficult. They were very competent people in the fields in which they had gained their experience. Their biggest limitation was that none of them had had any experience in public corporations ... It was most difficult to try to transfer the functions of a director of a public company to a public corporation like the N.Z.B.C. Every decision in broadcasting had three facets: economic, social and political. To reconcile the social and political aspects of a problem when you had been trained to deal with only the economic aspects of decisions was very difficult."¹¹

9. M.H. Holcroft, Reluctant Editor, op. cit., p. 191.

10. Scott to writer, May 10, 1976.

11. Stringer to writer, October 7, 1975.

The matter of the Board's evolving oversight of N.Z.B.C. programme matters will be discussed in chapter 9. Suffice it to say here that, in Stringer's opinion, the Board came to pay so much attention to particular programme criticisms that he and his top management staff spent most of their time at Board meetings justifying the N.Z.B.C.'s actions during the past month. The Board was unwilling to pass over to the Director-General complaints from people with whom they had contact. Instead, they preferred to handle them themselves. In some instances, Board members would approach, or attempt to approach, individual staff members directly, thus undermining the Director-General's responsibility. A particular example related to the activities of the three Regional Programme Advisory Committees set up by the N.Z.B.C. late in 1965 to advise the Corporation on programme matters (see chapter 17). Stringer recalls that, when the respective chairmen of these committees made public statements, the Board felt that its authority was being eroded: "they were jealous of the people who were expected to do the job of helping to keep the N.Z.B.C. in touch with the public."¹³ At a meeting in May 1967 between the Board and the chairmen and deputy chairmen of the committees it was resolved that,

"it would not be wise to give too much publicity to the work of the committees which could easily get a bad public image. Members should be wary of making statements or giving addresses as these tend to be taken by the public as expositions of Corporation policy."¹⁴

The Board soon resolved to review the delegations made to the Director-General by the first Board, in March, 1962.¹⁵ The fact that this decision was taken at only the second meeting of the new Board suggests that both McFarlane and Scott had wasted little time in informing the new members of the problems with the Director-General. Meanwhile, the Act's stipulation that a

12. Stringer to writer, July 13, 1976.
13. Stringer to writer, September 30, 1975.
14. Memo from Board to Director-General, May 25, 1967. According to McFarlane (to writer, May 4, 1976) Stringer insisted that the Committees had been set up to advise the Director-General, not the Board.
15. N.Z.B.C. Board Minute, May 17, 1966.

function of the Corporation was "to advise the Minister in respect of matters relating to broadcasting"¹⁶ was proving to be a further bone of contention. There existed a Minister of Broadcasting, but he had no department under his direct control. Yet, as a Minister, he needed advice. While, in the words of the Act, the "Corporation" was to advise the Minister, clearly it - literally, the Board - lacked sufficient expertise. Stringer, as Director-General of Broadcasting (as distinct from the N.Z.B.C.), felt that it was his responsibility to advise the Minister: "it was no good going to the Board. They didn't know anything about broadcasting".¹⁷

In 1966, a debate sparked by the activities of a "pirate" broadcasting station in the Hauraki Gulf, was a major catalyst in moves by the Board to clarify, if not to diminish, the status of the Director-General. This thesis is not concerned with the details of the so-called "pirates affair".¹⁸ The episode does, however, provide an insight into the relationships among the Minister, the Board and the Director-General.

Reflecting on the preceding months of controversy, a Board member, Saxton, argued in January 1967 that the statutory powers of the Director-General "have combined to make satisfactory control by the seven members of the Corporation so difficult as to be almost impossible."¹⁹ He went on:

"The difficulties and obstacles will be compounded with the advent of opposition in the form of private enterprise. Notwithstanding its notable success in many respects for which, I repeat, the Director-General and his staff are deserving of the highest praise, the fact remains that as an organisation the N.Z.B.C. is still a glorified government department, with too much of the departmental attitude and outlook to enable it to compete satisfactorily with a virile opposition, and with too much power vested in the Director-General."

16. Broadcasting Corporation Act 1961, Section 10(1)(d).

17. Stringer to writer, September 30, 1975.

18. A somewhat biased narrative on the affair is A. Blackburn's, Radio Hauraki: The Shoestring Pirates, Hodder and Stoughton, 1974.

19. Memo from D.F.C. Saxton to Board, January, 1967.

Apart from the method of appointment of the Director-General, Board members were also concerned at the statutory provision that gave that officer, or his representative, the right to attend all meetings, including those of sub-committees, of the Board.²⁰ In Saxton's opinion - a view which, according to McFarlane, was shared by the Board²¹ -

"the weaknesses of this situation ... are resentment at any major disturbance of the status quo such as realistic control by the seven member corporation, and the continuing, calculated and ... unfortunate influence exerted by the administrative hierarchy on legislation relating to radio and television. Too much of this influence has, I feel, been directed towards preserving and extending the interests of the administration and staff of the Corporation, and maintaining their freedom to continue acting basically as a Government Department, at the expense of effective operation and service."²²

In March, 1966, the Board resolved to seek the Minister's advice as to whether the Government would wish the N.Z.B.C. to take action in regard to the issuing of warrants for private broadcasting licences, under the provisions of Part III of the Act.²³ The Minister replied that he was not prepared to express an opinion at that stage.²⁴ The Corporation's desire to have the Government's intentions clarified on this matter could be understood in terms of Section 11 of the Act, which required the N.Z.B.C. to comply with the general policy of the Government with respect to broadcasting. It could also be understood in light of the invidious nature of Part III of the Act. Inserted apparently as a caucus compromise (see footnote 40 of chapter 5), it made the N.Z.B.C. judge and jury in the matter of issuing warrants to potential competitors. It charged the Corporation with conducting surveys to ascertain the extent to which broadcasting services were available in any locality. It could then call for applications for warrants but, inter alia, "after having regard to any additional broadcasting services it proposes to establish."²⁵ Stringer's

20. Broadcasting Corporation Act 1961, Section 9.

21. McFarlane to writer, May 4, 1976.

22. Saxton memo, op. cit.

23. N.Z.B.C. Board Minute, March 15 and 16, 1966.

24. N.Z.B.C. Board Minute, April 19, 1966.

25. Broadcasting Corporation Act 1961, Section 32(2).

attitude to Part III of the Act was double-edged. Firstly, he considered that the Board itself was unable to undertake these regulatory functions because it spent too much of its time on daily operative matters that were the rightful preserve of the Director-General and his staff. Secondly, and more importantly, he considered that Part III placed the onus on the N.Z.B.C. itself to fill any service gaps that its own surveys might show to exist.²⁶ To that extent, and as a means of introducing private broadcasting, it was virtually unworkable.

McFarlane has claimed that, at the time, Stringer shared control of the N.Z.B.C. with his two closest colleagues - Cooper Marshall, the Administrative-Assistant to the Director-General, and F.W. Dawson, Controller of Administration. All three, in McFarlane's view, were at pains to see the N.Z.B.C.'s monopoly preserved. Stringer had not been willing to share his power with the Board; and nor was he keen to share it with any private broadcasting concern.²⁷ Stringer, on the other hand, maintains that he was prepared to open the door to private enterprise:

"So long as the general monopoly of the N.Z.B.C. was maintained, and revenue could continue to be directed towards the cultural advancement of the community then I was not vitally concerned with small inroads that might have been made by private enterprise."²⁸

(In the early 1970s, the operating surpluses of the N.Z.B.C. were being heavily reduced by inflation, at a time when a number of private radio stations had been licensed. In 1966, however, the N.Z.B.C.'s financial position was extremely strong.²⁹) In any event, the bugbear from the N.Z.B.C.'s point of view was the Minister. In August 1966, the Chairman had again sought the

26. Stringer to writer, September 30, 1975.

27. McFarlane to writer, May 4, 1976.

28. Stringer to writer, October 7, 1975.

29. The N.Z.B.C. declared a financial surplus, after tax, of £1,310,389 in 1965, £1,360,160 in 1966, and £1,522,784 in 1967.

Minister's advice about the Government's intentions regarding private broadcasting.³⁰ (The N.Z.B.C. was keen to see legislation introduced to suppress the activities of "pirate" stations.) The Minister subsequently informed the Chairman that the Government was

"not prepared to legislate to 'bolt and bar' entry through the back door if the Corporation were going to continue as a policy to refuse to hear applications for entry 'through the front door' by not operating Part III of your Act."³¹

In response, the Board expressed its concern at the suggestion that its policy was not to operate Part III. The Chairman reminded the Minister that when he and the Director-General had discussed the matter with the Minister in March, 1966, he (the Minister) had not been prepared to express an opinion:

"as you know the Corporation is required to act within the general scope of government policy and it is the Minister who finally decides whether a warrant will be issued. Consequently it is necessary for the Minister and the Corporation to be closely associated in the policy to be followed under Part III of the Act."³²

The Minister, in reply, apologised for misquoting the Government's position in his earlier letter: "In the two or three discussions I have had with you and Mr Stringer since March", he went on,

"it has emerged that from the time a decision was made to operate Part III and actually start a hearing, about six months would elapse. It was with this knowledge that my colleagues made their decision not to promote further legislation until our policy was announced ..."³³

According to Scott, he had won over those of his caucus colleagues who were against introducing private enterprise broadcasting. He had done this by arguing that an unscrupulous government could use the monopolistic N.Z.B.C. to keep any National Party Opposition out of office for years.³⁴ (There may also have been Party

30. Confirmed in letter from Minister to Chairman, September 26, 1966.

31. Ibid.

32. Letter from Chairman to Minister, September 28, 1966.

33. Letter from Minister to Chairman, October 10, 1966.

34. Scott to writer, May 10, 1976.

pressures: the National Party's annual conference in July, 1966, approved a remit favouring private participation in a second television channel.³⁵⁾

The Government decided to remove Part III of the Broadcasting Corporation Act 1961, and to set up a licensing authority to adjudicate upon the issuance of warrants for private broadcasting stations. The policy was announced in its 1966 Election Manifesto. In Scott's mind, Stringer had been the obstructive influence: the Board members had been persuaded by the Director-General not to operate Part III.³⁶ If the Government had not been keen to encourage the N.Z.B.C. to use Part III of the Act, it had wanted to see the Corporation lease time on YD stations to allow private interests to meet what it felt to be "a much more urgent need" for "pop" music programmes "than the Broadcasting Corporation appreciates."³⁷ Here again, in Scott's opinion, the Director-General was the stumbling block. In a statement of policy, the N.Z.B.C. had pointed out that,

"the Corporation has requested its Director-General to undertake investigations into the whole matter ... Proposals with substantial policy implications such as these have could not be made by a public body charged with responsibility for protecting the public interest without the fullest investigations."³⁸

The matter came to a head following the release by the Minister of a letter of his to the Corporation, written at the end of October. The letter was released on November 9, 1966. The election campaign was under way and the Government was clearly concerned that it should appear to be taking steps to meet what it considered to be a substantial public demand for action on the

35. Reported in The Dominion, July 27, 1966.

36. Scott to writer, May 10, 1976. McFarlane confirms that Stringer's attitude was that Part III was merely an appendage to the Act and could not, by its contradictory nature, have been intended for operation by the N.Z.B.C. (to writer May 4, 1976).

37. Letter from Minister to Chairman, October 31, 1966.

38. N.Z.B.C. statement of policy, released to news media, October 21, 1966.

matter. In his letter,³⁹ Scott had pointed out that he had been "disturbed to read in the daily papers that it is still likely to take several months before the N.Z.B.C. will be in a position to make a final decision in this regard" (under Section 14 of the Act).⁴⁰ "I appreciate," he went on,

"there are many angles of this type of programme production to be studied, but consider that it should not take two months to make a decision to approve in principle the extension of the provision of private enterprise contracts under this section ... It appears that rather than the Corporation spending a considerable time in producing a formula under which you would call for applications to fit into that formula, it would be more logical to advertise for applicants to submit their own proposals for consideration by the Corporation."

The Minister concluded that he

"would be reluctant to issue an instruction under Section 11 of the Act directing the Corporation to take specific action, but in view of the clear indication of the Government's attitude to this matter, I would hope that the Corporation would forthwith deal with this matter promptly and, if necessary, call a special meeting to deal with same."

The following day the Corporation announced that YD hours were to be extended, while the Minister released the letter he had received from the Corporation in reply. In it, the Board had expressed concern at the charge that they did not appreciate the demand for "pop" music programmes. The Board pointed out that it had held a special meeting, as suggested by the Minister, and it outlined the steps it had earlier taken to investigate the need for more such programmes. (Scott, on receiving this letter originally, had regarded it as "being just written by the Director-General."⁴¹ Hence his decision to release his letter.) In an

39. Letter from Minister to Chairman, October 31, 1966.

40. Section 14 of the Broadcasting Corporation Act 1961 provided that "Any programmes broadcast by the Corporation may be provided by persons who, under contracts with the Corporation, have, subject to the terms and conditions of any such contract, the right to provide programmes or parts of programmes to be broadcast by the Corporation and the Corporation may enter into such contracts and make such arrangements as may be necessary for the purposes of this section."

41. Scott to writer, May 10, 1976.

editorial, The Dominion asked

"why did the N.Z.B.C. need this political prod to spur it into action ... Is it the appearance of pirates ready to board ship that has sent the N.Z.B.C. scuttling for shelter, speeded on their way by the sight of the Minister also brandishing a cutlass?"⁴²

To all appearances the N.Z.B.C. had jumped in response to the Minister's veiled threats. In fact, the Board came close to resigning en bloc. Just after Scott released his letter of October 31, the Chairman called a special meeting of the Board. The sense of that meeting is conveyed in a draft letter to Scott from McFarlane:

"Strong exception was taken to the publication of the letter which was interpreted as putting the blame on the Corporation for trouble with the pirates ... Resignations were suggested and it was generally agreed that this would be so serious that even one resignation would necessitate the resignation of the whole Board. I was accordingly directed to get in touch with the Minister and inform him that unless he published our reply and withdrew the incorrect allegation ... and made a statement showing the corporation in the proper light we would have no alternative but to resign. If it were not that there was an election pending we would have done it already."⁴³

Scott believes that he had embarrassed the Corporation because his letter had indicated that they were too ready to rubber-stamp the recommendations of the Director-General without investigations in depth: "now here were these people, whom I thought were my friends, all going to resign."⁴⁴ An informal meeting was arranged between the Board and the Minister. (It was held in the Shell Co. office of Board member J.B. Price.) It was here that the Board and the Minister confirmed a common cause against the Director-General. Scott recalls:

42. The Dominion (editorial), November 10, 1966.

43. Chairman's hand-drafted notes, prepared for the projected meeting with the Minister on November 14, 1966.

44. Scott to writer, May 10, 1976.

"I felt they (the Board) had let me down very badly. The upshot was that we had a good heart-to-heart talk. I told them a hell of a lot more things that had been going on in the Corporation and which they should have known ... They said they would like to see me more often, and that they would straighten the whole show out."⁴⁵

Scott was disappointed in the Board because its members had been appointed by him to exercise more control over the Director-General; but their apparent reluctance to operate Section 14 resulted from the dominating influence of Stringer. For its part, the Board clearly felt that the time had come to reduce the status of the Director-General. It had already moved to scrutinise the chief executive's activities more closely: a record of all his communications with the Minister was to be made available to the Board (according to McFarlane, Stringer got around this by showing the Board everything, no matter how trifling); it had insisted that the Director-General bring with him his top executives to the Board table, as required, so that members would no longer have to rely solely on advice given by Stringer himself.⁴⁶ Now legislative amendments were sought.

Of central importance was the means of appointing the Director-General. This had been the nub of Stringer's claim to independent status. In his aforementioned memo to the Board, Saxton had recommended (a) that the designation of the Director-General be changed to General Manager; (b) that he be appointed and controlled by the Corporation and that he be responsible only to the Corporation in the discharge of his duties; and (c) that except in routine matters, Government discussion with the Corporation on policy be conducted with the Chairman and not the chief executive officer.⁴⁷ Only (b) became the subject of legislative amendment, but the other two suggestions are illustrative of the concern felt. This concern is also evidenced by a draft broadcasting bill drawn up by a Board sub-committee -

45. Scott to writer, May 10, 1976.

46. McFarlane to writer, May 4, 1976.

47. Memo from D.F.C. Saxton to Board, January, 1967.

comprising McFarlane and Trimmer - with the assistance of a legal firm.⁴⁸ (The purpose of this exercise was to advise the Minister, in the form of a draft bill, how the 1966 election commitment on broadcasting should be implemented.) This sub-committee acted on an informal basis to circumvent the statutory right of the Director-General, or his representative, to attend any meeting or sub-committee meeting of the Board. The resultant draft bill is noteworthy on two main counts: firstly, it was aimed at downgrading sharply the status of the Director-General; and secondly, had it reached the statute books it would have increased considerably the N.Z.B.C.'s de jure independence of ministerial control. The latter desire stemmed largely from the Board's experiences with the Minister during the "pirates" affair, and will be discussed further in the next chapter. Regarding the former aspect, the draft bill proposed, among other things, that the right of the Director-General to attend Board meetings should be abolished; that Section 16 of the Act should be removed, thereby undercutting any claim by the chief executive to independent status; that any specific reference to the Director-General be removed from the provisions enabling delegation of the Corporation's powers; and that reference to the Director-General be deleted from the financial provisions of the Act. The net effect of these proposals would have been to give the chief executive officer no more statutory status than the office boy. No mention would be made of the officer at all, except in a temporary provision that the first chief executive - to be re-named General Manager - appointed by the Corporation would be the person previously carrying out the duties of Director-General of Broadcasting.

The proposed bill was never proceeded with, as such, but was one of three draft pieces of legislation used by the Government as a basis for the subsequent Broadcasting Authority Act 1968.⁴⁹

48. The proposed bill was drafted with the aid of Chapman Tripp & Co., Wellington. A copy is attached as Appendix B.

49. Adams-Schneider to writer, June 3, 1976.

L.R. Adams-Schneider, who succeeded Scott following the 1966 General Election, was confronted by the Board and by Stringer on the day he became Minister.⁵⁰ According to Stringer, the Board threatened to resign unless the legislation was amended giving the Corporation the power to appoint the Director-General.⁵¹ Stringer's appointment was to expire on March 31, 1967. Under the Act he was eligible for reappointment for a further five-year term. He was 57 years old, and if reappointed for another five years would have had 43 years' government service at March 31, 1972. Late in 1966 the Board had told Scott that they saw no reason why Stringer should be appointed for a further five years, thus giving him three years' service beyond the normal retirement point. Scott was asked whether another position in the public service could be found for Stringer. However, the Minister - perhaps ironically in view of his own difficulties with the incumbent Director-General - was unwilling to seek to have Stringer "promoted sideways". Nor was he sympathetic towards the idea of having the Act changed at that time to give the appointment of the chief executive officer to the Board.⁵² Having been strongly accused late that year of political interference in broadcasting - during the Bick affair⁵³ - the Government undoubtedly considered that any replacement of the Director-General would provide further ammunition for its political opponents during the General Election campaign.

Scott had been severely embarrassed by the "pirates" controversy - a Magistrate had ruled that the Minister had been improperly advised in issuing a detention order against the "pirate's" ship, "Tiri"⁵⁴ - and his replacement as Minister of Broadcasting

50. Adams-Schneider to writer, June 3, 1976.

51. Stringer to writer, September 30, 1975.

52. McFarlane to writer, May 4, 1976. Scott (to writer, May 10, 1976) stated that he was not prepared to give the appointment of the Director-General to the Board because any future Director-General could need protection from hasty or ill-considered action by the Board.

53. In October, 1966, Gordon Bick, a television producer, resigned from the N.Z.B.C. in a blaze of publicity, alleging political interference in the Corporation's activities and timidity on the part of the N.Z.B.C.'s top personnel. See Chapters 14 and 15.

54. Reported in The Evening Post, November 7, 1966.

following the 1966 General Election was not unexpected. Adams-Schneider's response, when confronted by the Board and the Director-General, was to give an assurance that the Act would be changed to give the Corporation the power to appoint the Director-General. He also undertook to discuss with his Cabinet colleagues the question of protection for Stringer as the incumbent.⁵⁵

Writing to the new Minister, McFarlane outlined the problem: "...

the opinion is strongly held by members that to reinforce the independence of the Corporation and to promote unity of management ... the Director-General should be appointed by the Corporation as is done in the B.B.C. This may appear ... to be an academic point but it has a practical significance. The members of the Corporation interpret the Act as meaning that the only powers (with minor exceptions) which the D-G has are those delegated to him by the Corporation and therefore (he) is accountable to the Corporation as the source of his authority. The fact of his appointment by the Governor-General is regarded as a mode of appointment which does not carry with it a special status which limits the degree of his accountability to the Corporation. Mr Stringer on the other hand holds the view that his appointment by the Governor-General confers on him a status equal to that of the Corporation and the Minister; that the legislation creates a condition of checks and balances to ensure that no one party in the triumvirate shall have complete power to impose its will over broadcasting. This in the view of the members imports an inbuilt barrier to loyalty between the Corporation and the Director-General which militates against the unity that should exist between the policy forming and executive arms ... The importance of this unity has been emphasised by Lord Normanbrook, the present Chairman of the B.B.C. and Lord Reith, the first Director-General of the B.B.C."⁵⁶

(The Chairman might also have added, however, that Reith, for one, was strongly opposed to the Board attempting to usurp the executive function of the Director-General. The so-called "Whitley Document" stands testimony to that.⁵⁷) At its meeting of March 21 and 22, 1967, the Board resolved to recommend to Government that Section 16(2) of the Act be repealed and that the

55. Stringer to writer, September 30, 1975.

56. Letter from Chairman to Minister, March 2, 1967.

57. The document was drawn up in 1931 by Reith and the then Chairman of the B.B.C., J.H. Whitley, after Reith had clashed with the Board of Governors under its previous Chairman, Lord Clarendon, over the definition of the respective roles of the Board and Director-General. See J.C.W. Reith, Into the Wind, Hodder and Stoughton, 1949, pp. 116-127. According to Anthony Smith (British Broadcasting, op. cit., pp. 60-1) the document was "tacitly abolished" when the revised B.B.C. Charter of 1952 was granted.

Corporation appoint the Director-General; and that on the expiry of his appointment at the end of March, 1967, Stringer continue as Director-General under Section 16(4) - whereby the Minister had power to appoint the Director-General on the occurrence of a vacant office - until the new provision came into force, or for three years, whichever was earlier. All this was to be on the understanding that if the legislation were altered before March 31, 1970, the Corporation would undertake to extend his appointment to that date.⁵⁸

Stringer was re-appointed for a further term of three years, and later in the 1967 Parliamentary Session the Act was amended accordingly. Importantly, Cabinet approval had been given to protect, by legislation, Stringer's incumbency: he was to hold office until March 31, 1970, "in all respects as if he had been appointed under section 16 of the principal Act as amended by this section."⁵⁹ (So great was the haste to have the amendment made that it was neglected to give the Corporation the statutory right to dismiss the Director-General. This oversight was apparently not noticed until 1971, when the Act was amended.⁶⁰) Included in the amending legislation was another seemingly innocuous provision. It enabled the Corporation to elect a Deputy Chairman.⁶¹ According to McFarlane, the Board pressed for this provision with a view to electing J.B. Price as Deputy Chairman. This was subsequently done. Managing-Director of Shell Oil, Price had a reputation as a hard-headed and strong-minded businessman. He fully recognised the need for searching examination of executive proposals and recommendations, and was seen by the Board as an effective counter to Stringer.⁶² The amendments aroused little public comment. Apparently, the news media had not been aware of the power struggle that had taken place in the corridors of the N.Z.B.C. during the previous three years.

58. N.Z.B.C. Board Minute, March 21 and 22, 1967.

59. Broadcasting Corporation Amendment Act 1967, Section 4(4).

60. Broadcasting Corporation Amendment Act 1971, Section 2.

61. Broadcasting Corporation Amendment Act 1967, Section 2.

62. McFarlane to writer, May 4, 1976.

This was not the end of the struggle, for the Board was concerned at McFarlane's apparent inability to contain Stringer. According to Stringer, Adams-Schneider had told him that he (Stringer) was "too strong" for the Board.⁶³ Stringer also understood that the Board was dissatisfied with what it considered to be McFarlane's "soft" attitude towards him.⁶⁴ One Board member, Trimmer, recalls that

"Mr McFarlane and ... Gilbert Stringer never got on well together. They were two totally different types of person - Stringer being one who made decisions without difficulty, and was able to express his thoughts quite clearly and forcibly. It would not be correct to say that he was a tactless man, but he was completely fearless in putting forward his propositions, and if it was necessary to be blunt with somebody, he was blunt ... Mr McFarlane (was) a very softly-spoken, gently mannered man, who is above all an eminently tactful person."⁶⁵

In December, 1968, Adams-Schneider announced that McFarlane would be "retiring from the Corporation's chairmanship a little earlier than anticipated, to become director of the N.Z. Administrative Staff College."⁶⁶ (McFarlane had been re-appointed for a one-year term from April, 1968, but his retirement came before the expiry of that term.) A former Chief of the General Staff, Major-General W.S. McKinnon, took over as Chairman on February 1, 1969. McKinnon has stated that his appointment was related to

"a lack of harmony between the Board members and Mr McFarlane. They alleged that he was ineffective in controlling the Director-General. When I was invited to become Chairman of the Board it was explained to me by the Minister that this difficulty existed. I told him I didn't envisage that I would have any unusual difficulty."⁶⁷

The appointment of McKinnon to the Chairmanship resulted in a more harmonious relationship between the Board and its Director-General. There are several pertinent factors. The advent of the N.Z. Broadcasting Authority in 1968 (to be discussed in chapter 12)

63. Stringer to writer, September 30, 1975.

64. Stringer to writer, September 30, 1975.

65. Letter from R.K. Trimmer to writer, June 30, 1976.

66. Reported in The Evening Post, December 26, 1968.

67. McKinnon to writer, May 8, 1976.

broke the N.Z.B.C.'s monopoly: in effect, if not in name, Stringer was now Director-General of the N.Z.B.C., not Director-General of Broadcasting. The triangular relationships among the Minister, Board and chief executive had become more complex, and energy-consuming, with the establishment of the Authority, which acted as another source of ministerial advice.⁶⁸ In 1968, too, the Board had decided to undertake a major internal reorganisation of the N.Z.B.C. This will be discussed in the next chapter. Suffice it to say here that this move can be explained at least partly in terms of the fractious relationship between the Board and Stringer: it was one further battle in a war that, by early 1969, the Director-General had lost. Perhaps most importantly, however, by 1969 Stringer had begun to tire. Particularly in light of the legislative amendments of 1967 he had come to feel that little more could be gained by continuing a frontal battle with a Board which, during the previous five years, he had come to regard with untrusting exasperation, if not increasing cynicism. In his view, the propensity for some Board members to undercut the Director-General's authority, by trying to deal with staff members direct,

"got worse and worse, and as I got less and less interested - which was from 1968 onwards, I quite frankly didn't give a damn whether they did or did not."⁶⁹

Stringer's relations with McKinnon were, in the opinion of both men, very good. The two had a mutual respect at a personal level, but the relative accord seems to have been facilitated by the fact that Stringer had virtually withdrawn from the earlier struggle. Certainly, Stringer regarded McKinnon's Chairmanship with a measure of distrust and impatience, as he had McFarlane's:

"his (McKinnon's) problem was that he was in retirement and interested in having something to occupy his mind with, and it's very difficult to limit yourself to policy-making when you want to be sitting in an office full-time."⁷⁰

68. Broadcasting Authority Act 1968, Section 9(1)(c).

69. Stringer to writer, July 13, 1976.

70. Stringer to writer, July 13, 1976.

And like McFarlane, McKinnon adopted the Normanbrook interpretation of the role of the Board,⁷¹ a choice that was to have - as will be seen in chapter 9 - important consequences for the developing oversight by the Board of programme output. Nevertheless, the relationship between the Chairman and the Director-General became far easier than that which had existed previously. According to Trimmer, who served under the Chairmanship of both McFarlane and McKinnon,

"during McFarlane's chairmanship, the D-G showed impatience not only with the Chairman, but with the Board. The introduction of the Major-General was, I think, a bit of a shock to Gilbert Stringer, and his immediate reaction to his arrival was ... one of resentment. However he soon woke up to the fact that the Major-General was a bit like a steam-roller, and that it would be better in the autumn of his career to run along with him rather than stand up to him. The result was that these two very able men in no time came to work together very satisfactorily. This impact also resulted in Stringer looking more favourably on the Board than he had previously."⁷²

Stringer retired on July 31, 1970, after being asked to stay on for an additional four months while a successor was found. (The tranquility in the relationship between the Board and the Director-General was reflected in McKinnon's suggestion to Stringer that he make himself available for re-appointment for a further term.⁷³) His successor was the Deputy Director-General, Lionel R. Sceats, 57, who was appointed from some fifty applicants from a number of countries.⁷⁴ Sceats was a career broadcaster who had joined the then Broadcasting Board in 1934 as an announcer, and had worked his way up the administrative hierarchy.⁷⁵ The period of hostility between the Board and the Director-General was at an end. No tension of the type that typified Stringer's relations with his Board existed during Sceats' term.⁷⁶

71. McKinnon to writer, May 8, 1976.

72. Letter from Trimmer to writer, June 30, 1976.

73. McKinnon to writer, May 8, 1976.

74. Reported in Relay (N.Z.B.C. House Magazine), May, 1970.

75. A Bachelor of Arts, he had also gained a Diploma in Public Administration from Victoria University of Wellington.

76. Confirmed by both McKinnon to writer, May 8, 1976, and Sceats to writer, May 21, 1976.

To conclude this chapter, the results are given of a test in which all three Chairmen, and both Directors-General, were asked to rank a group of personality traits,⁷⁷ in the order considered to be the most important for the successful carrying out of the duties of the respective post, i.e. Chairman or Director-General. The group included five "inner-directed" traits - forcefulness, imagination, independence, self-confidence and decisiveness; and five "other-directed" traits - cooperativeness, adaptability, caution, agreeableness and tact. The scores were computed simply by awarding points ranging from ten down to one to the traits as listed in descending order by the respondent, and by totalling the score in the "inner" and "other-directed" groups. The scores were ("inner-directed" first): Llewellyn, 37:18; McFarlane 30:25; McKinnon 40:15; Stringer 31:24; Sceats 29:26.

What do these results mean? Perhaps very little. There is, above all, a problem of determining causality : were the professed administrative styles themselves determinative of the relations among the respective participants, or did the situational realities of these relations in turn elicit the respective styles? For example, because these realities were different by the time McKinnon took over from McFarlane it may be that he (McKinnon) was able to operate more successfully (in his terms) by paying less attention to such qualities as tact, adaptability, caution and cooperativeness. Both Llewellyn and McKinnon were Chairmen during periods when there were generally harmonious relationships not only between themselves and their Director-General, but also between themselves and the respective Ministers (apart from the later months of Llewellyn's term). Perhaps ironically, or incongruously, there is more scope for "inner-directed" traits to be expressed when relationships are harmonious - for other reasons - than when situational factors necessitate the deployment of "other-directed" qualities. McFarlane's much less "inner-directed" score may reflect the fact that he was operating at the nexus of a dynamic and tense relationship among Minister, Chairman, and Director-General. On the other hand, the differences in

77. See Edwin L. Miller, "Job Attitudes of National Union Officials", in Personnel Psychology, Vol. 19, 1966, p. 395.

regard to, say, McKinnon and McFarlane (the former "inner", the latter "other-directed") may help to explain their respective relationships with Stringer. The point is that it is impossible to be sure. Nor, in light of the uncertainty as to the relevance of situational differences, is it possible to make any definitive statement about the "most successful" combination of actors - for instance, a predominantly "inner-directed" Chairman and an "other-directed" Director-General (as in the case of McKinnon and Sceats), or vice-versa (as with McFarlane and Stringer). Another major problem of interpretation is, of course, the impossibility of objectively determining the criteria of "successful" administration. For example, what to McKinnon may have seemed "successful", to Stringer might have appeared as seriously detrimental to the organisation's effectiveness. Such diametrically opposed interpretations did, in fact, pertain in regard to the Board's growing oversight of programme matters (see chapter 9).

Two tentative propositions can be put forward, however. Firstly, the test is useful in suggesting the personality differences among the respondents (leaving aside the open question as to the effects of these differences). And secondly, as suggested by the scores of both Stringer and Sceats, there may have been more call for "other-directed" qualities in the Director-General's role, subject as it was to the often conflicting responsibilities which flowed upwards (to Board and Minister), sideways (in response to public pressures), downwards (to executives and staff), and, indeed, diagonally (to other institutions and agencies, notably Parliament, Treasury, the State Services Commission and later the Broadcasting Authority). Above all, the Director-General, more so than the Chairman, may have been required to play the role of "the superb politician",⁷⁸ drawing on the qualities of tact, cooperativeness, adaptability and the like more often than on those of forcefulness and independence, etc. It would be possible to

78. See J.D. Thompson, op. cit., p. 143.

argue - and subsequent chapters will facilitate some assessment of this - that, for example, the "inner-directedness" of McKinnon and the "other-directedness" of Sceats "resulted in" a degree of unwarranted, and perhaps politically motivated, intrusion by the Board in sensitive programme matters. Yet, on the other hand, in Stringer there is the example of a man whose thinking, especially in the earlier years of the N.Z.B.C., was guided in large degree by the perceived need to protect programme independence, but who, some years later, by no means comes down overwhelmingly on the side of the "inner-directed" qualities. It is perhaps pertinent to reflect on whether or not Stringer came to the view that there were, after all, more ways than one of skinning a cat, that his determination to preserve programme independence and his own independent status - perceived by his "adversaries" as intransigence born of his desire to strengthen his own power - may not, in fact, have been more counter-productive in the search for organisational autonomy.

CHAPTER EIGHT: Reorganisation, 1968/69

Well before Stringer's retirement the struggle between the Board and the Director-General had shifted ground: from the context of the statutory position of the chief executive to that of the organisation's management structure.

At its August, 1967, meeting the Board agreed in principle to the employment of a firm of management consultants to investigate and advise on the organisation of the N.Z.B.C.¹ The Deputy Chairman, J.B. Price, was subsequently authorised to approach various consultants during a trip abroad.² (The contract was given to the Australian firm, P.E.) There were several reasons why the Corporation decided to restructure the organisation. One was that two Board members - Price and Laurenson - had been impressed by consultants' reorganisation of the management structure in their respective oil companies.³ They considered that the N.Z.B.C. would benefit from a similar exercise. In Laurenson's view, the Corporation lacked a system for grooming its future top executives. The existing separation into four main divisions - Radio, Television, Engineering and Administration⁴ - meant that executives being promoted within each of these acquired only a limited experience of N.Z.B.C. operations: "our concern was to set up a structure which gave broad training to these people. Then there would be a number of people who would be trained to take over the top job."⁵

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1. N.Z.B.C. Board Minute, August 15, 1967.
 2. N.Z.B.C. Board Minute, September 19, 1967.
 3. McFarlane to writer, May 14, 1976. Price and Laurenson, together with the Chairman, formed a sub-committee of the Board to manage the reorganisation.
 4. See Appendix C.
 5. Laurenson to writer, May 25, 1976.

More generally, the N.Z.B.C. was at a stage where it had to consider the direction of its future development. In announcing the Corporation's decision to call in management consultants, the Chairman commented that, "the Corporation is facing the challenge of technological developments such as colour television and the use of communications satellites, and changes in environment such as the probability of increased competition from new commercial stations initially in sound broadcasting and later possibly in television."⁶

Importantly, it was felt that the Corporation needed to adopt a budgetary system that would facilitate a more rational and efficient use of financial resources.⁷

However, the entire reorganisation proposal, no matter how it was justified publicly, could also be seen as a further manifestation of the conflict between the Board and the Director-General. Certainly, by the time the decision to reorganise was made, measures sought by the Board to clarify (reduce) the status of the Director-General were proceeding. Yet, as shown, the amending legislation also entrenched Stringer's position as Director-General for a further three years. A battle in the war for power had been won by the Board; but the war itself remained very much alive. It remained an open question as to whether the decision to engage management consultants was motivated primarily by the Board's dissatisfaction with the Director-General's hold over the management of the N.Z.B.C.

Sceats, for one, suggests that it might have been. He recalls that the Board expressed its desire for reorganisation at a meeting which Sceats attended as Acting Director-General, during Stringer's absence overseas. On a particular matter Sceats expressed a view that was different to that which had been put forward by the Director-General. "It was apparently felt to be

6. Reported in The Press, February 2, 1968.

7. McFarlane to writer, June 15, 1976.

a matter of concern that there should be two different points of view. It was suggested then that management consultants be brought in, but I objected by saying that a decision like this should not be taken in the absence of the Director-General."⁸ In Sceats' view, the Board seized upon this incident as an excuse to call in consultants with a view to undercutting the Director-General's, and enhancing its own, power.⁹

In the Board's eyes the N.Z.B.C. was run too much along the lines of an ordinary government department with control centralised in the hands of a permanent head. The memory of the "pirates affair" during which the Director-General had seemed obstructively intransigent, was still fresh in the minds of most Board members. According to McFarlane, "we felt that the N.Z.B.C. ought to be restructured along the lines of what you would expect an independent public corporation to be. We doubted whether sufficient notice had been taken of the growth that had taken place since the days of the N.Z.B.S."¹⁰ In essence, tension existed between a Director-General who preferred to regard himself as a sort of independent permanent head and a Board that wished to assert its own authority as a public corporation vested with the responsibility for operating the country's broadcasting services. As it was, Stringer's power position was favoured by the way in which those services were structured. As Director-General, he was at the apex of a national structure in which the Directors of Sound Broadcasting, of Television, of Engineering, and the Controller of Administration were all responsible to him. (The then Controller of Administration, F.W. Dawson, whom McFarlane regarded as being a close ally of Stringer's, also believes that the reorganisation was aimed at under-cutting the Director-General's power. ¹¹)

8. Sceats to writer, May 21, 1976. The matter was deferred until Stringer returned.

9. Ibid.

10. McFarlane to writer, May 14, 1976.

11. Letter from Dawson to writer, July 14, 1976.

McFarlane himself was not wholly in favour of engaging consultants, believing that those within an organisation were better placed to fix their own difficulties.¹² However, the Board felt that it could argue more successfully with Stringer if recommendations for structural changes came from an independent source. Stringer understood this strategy, arguing that it was not necessary to bring in outside consultants since any necessary reorganisation should be carried out from within. The consultants initially demurred from undertaking the task, believing that Stringer's opposition to it would cause implementation problems. It was agreed, however, that the responsibility for implementation should be given to Sceats, who was made Deputy Director-General (Sceats had more years of service left than Stringer. This, it was felt, would provide continuity in implementation.) In addition, the task of reorganisation was made the responsibility of the Board, and not the Director-General, with the consultants having full access to that body.¹³

The main thrust of the consultants' report - the implementation of which began late in 1968 - was towards decentralisation of the N.Z.B.C. According to Laurenson, when deciding to engage consultants the Board had been worried that the N.Z.B.C. was becoming too remote from the public.¹⁴ Decentralisation appealed as the obvious way of overcoming this problem. Hence, three administrative regions - northern, central and southern - were created, each under a regional director.¹⁵ In the words of K.M. Hay, an N.Z.B.C. District Manager who had been seconded to work with the consultants: "Budgetary techniques were developed which enabled station managers and the regional directors to be responsible for a very much greater part of their expenditure. This meant a very significant devolution. The regional directors were given very wide powers to appoint and promote staff, and the appointments and review functions were established on a regional basis, rather than on a centralised basis as had prevailed before."¹⁶

12. McFarlane to writer, May 14, 1976.

13. The above account was provided by McFarlane, to writer, May 14, 1976.

14. Laurenson to writer, May 25, 1976.

15. See Appendix C.

16. Hay to writer, June 1, 1976.

Such decentralisation could also serve to weaken the Director-General's power. But more particularly was this achieved through the creation of three - later four - executive directors at Head Office. This innovation was intended to help groom officers for the top executive position, by widening their experience of N.Z.B.C. activities. Each executive director was made responsible for a group of portfolios, the intention being that portfolios would be interchanged from time to time. Regional and executive directors would also interchange at intervals.¹⁷

The four executive directors were responsible, with the Director-General and through him, to the Board. In short, the singleness of responsibility that the Director-General could claim under the previous structure had become attenuated. The power that he derived from his control over the flow of information to the Board was weakened: now, the executive directors were also called upon to proffer advice direct to the Board, though in the presence of the Director-General. According to Laurenson, it was because, under the previous system, the Director-General mainly advised the Board, that the system of executive directors appealed to the members.¹⁸ In addition, the Director-General's monthly report to the Board was cast in a new form. It became a consolidated report covering all major areas of N.Z.B.C. activity. This replaced the earlier system of reporting which was done on a more ad hoc basis, with the chief executive officer being free to determine the areas that the report would cover.¹⁹

In June, 1969, the consultants recorded "a significant improvement in Board/Executive relations this year. Communication (has) improved and the concept of the executive working to the Board is taking hold."²⁰

17. Ibid.

18. Laurenson to writer, May 25, 1976.

19. Perusal of Director-General's reports to the Board.

20. N.Z.B.C. Board Minute, June 17, 1969.

But the reorganisation had convinced Stringer that he had lost his fight to preserve the professional autonomy of the staff, particularly the programme staff, from what he considered to be unwarranted intrusion at Board level. In his opinion, the Board was biased in its implementation of the consultants' recommendations: everything was implemented which, in terms of the relative powers, was pro-Board. Everything that was pro-Director-General was ignored. "This resulted in the programme initiative being given to the Board."²¹ Stringer believes that the professional autonomy of the broadcasters was accordingly compromised: "the end result was not so much the enhancement of the Board's power over the Director-General, it was the killing of programme initiative. If you take away the programme initiative from the executives you've got to replace it with the programme initiative of the Board....I told them in 1969 that as an organisation they would be dead in three years, because they (the Board) just did not have the skills to run a broadcasting service."²²

It was the replacement of the system of media control by one of functional control that, in Stringer's view, led to a stultification of creativity and vitality within the N.Z.B.C. (Media control entailed the administration of radio and television under separate directorships; functional control, the joint administration of different programme output areas - for example, sports, drama, broadcasts to schools, rural programmes.) Creative leadership, according to Stringer, became diffused:

"the management consultants split the N.Z.B.C. into 18 separate sections. That was the death of it. The problem was that committee administration is no administration at all. You never get one direct decision. All you get are agreements, and in getting that agreement valuable time is lost."²³

Further, functional control meant that, with radio and television programme areas administered by joint committees, radio was "steam-rollered out of existence."²⁴ In Stringer's opinion,

21. Stringer to writer, September 30, 1975.

22. Ibid.

23. Ibid.

24. Stringer to writer, July 13, 1976.

the advent of a competitive context in radio meant that it was essential to have a radio director to spear-head competition. "The reorganisation destroyed this."²⁵

Stringer was by no means alone in his opinion that the reorganisation had a debilitating effect on the N.Z.B.C. Hay points out that the reorganisation was designed to improve management techniques, in particular through the introduction of new budgetary methods, and not to sharpen the creative process in broadcasting.²⁶ According to Hay, however, the suggestion that the creative spark was depressed by the reorganisation is "fair comment": it was "part of the price you pay for abandoning media control. You do undoubtedly remove from the top someone whose sole attention is on radio or television."²⁷

Sceats believes that the reorganisation was seriously disadvantaged by the fact that two of the appointed regional directors were strongly against the scheme. One was N.R. Palmer, who had till then been Director of Television; the other was J.N.M. Norman, who had been Director of Engineering. They were each strongly opposed to the abolition of their respective jobs. The Dominion reported that Norman, who was moved from Wellington to take up the post of Regional Director (Southern) in Christchurch, "is understood to have written a long memorandum to the Corporation Board asking for an 'unequivocal statement' on why his job has been abolished."²⁸

The reaction of the N.Z.B.C.'s engineers in general is suggested also in a letter from Trimmer to McFarlane, arguing that "the engineers' petition is...quite impertinent and calls...for a strong reply. I am convinced that New Zealand suffers from the belief, held by the N.Z. Institute of Engineers, that members of that organisation in employment should not be subject to administrative control. If these guys want a head-on collision, let us have it."²⁹

25. Ibid.

26. Hay to writer, June 1, 1976.

27. Ibid.

28. The Dominion, December 18, 1968.

29. Letter from Trimmer to McFarlane, December 30, 1968.

Sceats called for a review of the scheme in 1972 because he considered that the intended delegations were not working. The original intention had been that day-to-day management should not fall on the executive directors, but on the next level down: "But some of the executive directors were frightened of losing power, so rather than delegating down the day-to-day decision-making they hung on to it. And on the management level below them there was a certain fear of decision-making, so matters that should not have been referred upwards."³⁰ He maintains that there was insufficient time available to allow the scheme to work properly, to overcome staff resistance to it, and ignorance of its purposes. In his view, the rationalisation of the financial system had to be weighed against any loss of creative impetus that resulted from the abolition of media control. (There is some irony in this observation: Stringer was an accountant, yet he favoured media control; Sceats had been Director of Sound Broadcasting, yet he was sympathetic towards the system of functional control.³¹ This seeming paradox may be understood, however, in light of the extent to which each man's interests were furthered by the changes.)

Others who considered that the reorganisation was unsatisfactory in its results included the Executive Director carrying the programme portfolio, M.A. Rickard. He maintains, following Sceats, that the executives below him were too cautious in using their newly-granted autonomy, particularly in the case of television.³² For his part, the then Controller of Television Programmes, T.F.A. Shankland, has argued that the introduction of regional directors created an obstruction in the lines of authority. Because of their autonomy he could not impose his will on the regional directors. This problem could be resolved only by seeking the Executive Director's (Rickard's) support in persuading the Director-General against the regional directors. Particularly was this the case with the Auckland region.³³

30. Sceats to writer, May 21, 1976.

31. Ibid.

32. Rickard to writer, July 7, 1976.

33. Shankland to writer, July 27, 1976.

In the view of D. Monaghan, then producer of the N.Z.B.C.'s weekly television current affairs programmes, "Gallery", the reorganisation was "a disaster" for television production generally. He found himself responsible to the Manager of the Wellington television station (WNTV-1), to the Chief Producer at Head Office, and to the Editor (Current Affairs).³⁴ (It was purely ironical that this confusion was, by default, an important factor in "Gallery's" development. See Chapter 15.)

In 1973, the Television Producers and Directors Association (N.Z.) Inc. was strongly critical in comments to the Adam Committee, set up to advise Government on the restructuring of the N.Z.B.C.³⁵

The Association complained that "the present system features a protracted chain of command in which partial responsibilities for aspects of production control are spread over a wide area and any possibility of effective communication is frustrated. Even more seriously, this system is unable to handle matters of immediacy. As a direct consequence - and sadly this is perhaps the only direct element involved - many potentially good programmes have been abandoned because of the time factor involved in obtaining a decision, or perhaps even more frequently, because the original programme intention has been hopelessly distorted during its passage from one partial decision-making area to the next. Similarly since each person in the chain of command seeks to anticipate the likely reaction of his immediate superior, what starts as a mild reservation to a programme idea is successively distorted into a complete rejection or indeed vice versa."³⁶

(The problem to which the producers refer is one of bureaucratic pathology. See, for example, Gordon Tullock, The Politics of Bureaucracy, Public Affairs Press, 1965, pp. 137-141.)

34. Monaghan to writer, July 15, 1976.

35. The Committee - chaired by Kenneth Adam, a former Director of Television with the B.B.C. - was set up by the Labour Government to advise it on how its proposals to restructure broadcasting should be implemented. See the Committee's report, The Broadcasting Future for New Zealand, Govt. Printer, Wellington, July 31, 1973.

36. Submission to the Committee on Broadcasting (the Adam Committee), by the Television Producers and Directors Association (N.Z.) Inc., May, 1973.

Another senior officer who felt that the reorganisation created unnecessary problems was the Editor of the News Service, R.E. Coury. In his opinion, the centre lost control over the regions, with a resultant loss in throughput of news from regions to centre.³⁷

Sceats' intended 1972 review of the reorganisation was swept aside by the MacLeod affair - the controversy surrounding the sacking by the Board of Alexander MacLeod, the Editor of the N.Z. Listener - in the second half of that year. (MacLeod himself wrote later that the reorganisation lead to "a kind of collective leadership. Few constructive programme ideas filtered down from the new administrative creation, and anyone who tried to send them upwards quickly learned that it was a waste of time."³⁸ His predecessor - and successor - in the editorship, M.H. Holcroft, fully agrees with this view.³⁹) The subsequent change of Government at the 1972 General Election, and the new Government's decision to restructure the N.Z.B.C. - in effect, to revert back to a system of media control - meant that the Corporation itself had no opportunity to revise the reorganisation.

During the 1968/69 reorganisation much was made of the need for the N.Z.B.C. to pay more attention to planning. In the consultants' view, "a thorough system of corporate planning" was required: "It is only within the framework of long-range plans that decisions can be made. From the long range plans, annual plans can be developed. These are the annual budgets of revenue, expenses, cash flow, and most important, of capital."⁴⁰

37. Coury to writer, September 16, 1975.

38. A.J. MacLeod in The Listener (BBC), April 12, 1973.

39. Holcroft to writer, September 17, 1975. Holcroft, who, on his retirement was succeeded as Editor by MacLeod, returned to the job on a temporary basis following the latter's dismissal. In Holcroft's words, "A lot of trouble arose over the internal restructuring. It cut off the leadership from the active broadcasters. It was prepared by people who didn't know about broadcasting, who thought of efficiency in abstract terms."

40. N.Z.B.C. Board Minute, June 17, 1969.

The Board, according to McFarlane, had been very disturbed at the lack of sophisticated budgetary systems within the N.Z.B.C. Moreover, the strong financial position enjoyed by the organisation at that time had enhanced the operating flexibility - hence power - of the Director-General.⁴¹ Planning was to be the responsibility of the executive directors who would, it was intended, be freed from the burdens of day-to-day management.⁴² A Planning Manager - significantly, a senior engineer (E.J. Atkins) - was also appointed. Organisational objectives and executive targets were explicitly defined - for the first time in the N.Z.B.C.'s seven-year existence. (According to Sceats, this impelled senior management, for the first time, to reflect on what the organisation was there for, what it should be doing, and how it should be doing it.⁴³)

However, the planning function never developed. This was mainly because the restructuring coincided with hearings begun by the Broadcasting Authority in regard to warrants for private radio stations, and into proposals for the extension of television services in New Zealand. Three executive directors - Rickard, Palmer and Cooper Marshall - were deeply involved in the preparation and presentation of the Corporation's cases. As noted by the then Planning Manager: "the management group at the time were, to quote one of them, 'too preoccupied in a battle for (the N.Z.B.C.'s) survival'...they never got their heads above water before the (1973) split came."⁴⁴

At a theoretical level, the failure of the planning function is readily explicable. The simple fact is that organisations, as

41. McFarlane to writer, June 15, 1976.

42. Sceats to writer, May 21, 1976; also Hay to writer, June 1, 1976.

43. Sceats to writer, May 21, 1976.

44. Letter from E.J. Atkins to I.H. McLean (Member, Co-ordinating Committee on Management Planning, Broadcasting Council of New Zealand), November 24, 1976.

writers like Cyert and March,⁴⁵ and Banfield,⁴⁶ show, eschew longer-term planning because of their need to cope with short-term uncertainties (in the N.Z.B.C.'s case, the N.Z.B.A. hearings and their implications), and because organisations must negotiate with, rather than planfully arrange, their environments.

The reorganisation was poorly handled from the viewpoint of staff relations, and in general appears to have had a bad effect on organisational morale. In Auckland, the staff argued that they were not against reorganisation as such, but found it "terribly

frustrating when we are not able to negotiate with an organisation which doesn't know, or won't say, what its aims are....Either the N.Z.B.C. is being secretive or doesn't know its final reorganisation plans."⁴⁷

Some staff in Wellington also complained that the whole business was "shrouded in secrecy."⁴⁸ According to McFarlane, "there was

a kind of secrecy about the way things were carried out. The difficulty was that the Board's actions had to be interpreted to the staff through the Director-General. We had the Public Service Association quizzing us all the time trying to get answers as to what we were doing, and we had the staff unsettled. The interpretations of the Corporation's aspirations were in the hands of the Director-General. It was a pretty inauspicious atmosphere in which to bring about a reorganisation. This is why it did not really take off."⁴⁹

45. R.M. Cyert and J. G. March, A Behavioral Theory of the Firm, Prentice-Hall, 1963.

46. E.C. Banfield, "Ends and Means in Planning", in S. Mailick and E.H. Van Ness (eds.), op.cit., pp.78-9: "Laying out courses of action, classifying ends, and evaluating alternatives takes time and money and cannot be done without the active participation of the chief executives. However great may be the resulting gain to the organisation, full attention to the present crisis - assuming the supreme importance of organisational maintenance - is likely to result in far greater gain."

47. Reported in N.Z. Truth, April 8, 1969.

48. Reported in The Dominion, December 18, 1968.

49. McFarlane to writer, May 14, 1976.

Undoubtedly, such staff discontent inevitably derives from the fact that some gain from reorganisation while others lose. An imposed loss of power, status, privilege, authority or influence - real or imagined - is unlikely to be welcomed by the loser. Nor, as F.C. Mosher indicates,⁵⁰ is there any panacea to the major problem of creating and maintaining staff support for (governmental) reorganisation proposals. The study of public administration is replete with examples of reorganisational schemes which, for various reasons - mainly relating to the pursuit of individual and collective interest - have failed to produce the "benefits" expected of them. The truth of the matter is that reorganisations are invariably exercises in the adjustment of power relationships.⁵¹ They "succeed" or "fail" not only in terms of objective criteria which measure the organisation's capacity effectively to achieve its goals (in many cases, of course, especially where public agencies are concerned, there can be no readily agreed upon criteria), but also subjectively, in the light of differing perceptions of differing interests. The case of the N.Z.B.C. was no exception. (Interestingly, the Australian Broadcasting Commission began a structural reorganisation in 1973. Previously, the A.B.C. had been organised on lines of functional control similar to those adopted by the N.Z.B.C. in 1968/69. The 1973 restructuring, however, was based on media control, "the rebuilding of the organisation around two new end-product or media groups - TV and radio - whose heads report directly to the General Manager...." ⁵²)

Testimony already cited suggests that the reorganisation did little, if anything, to improve what is surely the principal function of any broadcasting organisation - the production and presentation of programmes. N.R. Palmer, for example, was not predisposed towards the reorganisation, having much preferred his

50. F.C. Mosher (ed.), Governmental Reorganisation: Cases and Commentary, Bobbs - Merrill & Co, 1967.

51. See H. Seidman, Politics, Position and Power, 2nd ed., Oxford University Press, 1976.

52. Letter of June 7, 1976, from Senior Information Officer, Australian Broadcasting Commission, to writer.

job as Director of Television. This factor need not detract from the validity of his later view that the reorganisation created an executive which was "impersonal and ineffectual", lacked an executive identity, and made for inadequate organisational leadership.⁵³ He, too, believed that the project stemmed from the Board's resolve to establish its authority once and for all over the Director-General.⁵⁴

Questions thus arise about the reasons for the reorganisation. If it was designed to enable the organisation to handle competition, then in what way was it successful? Improved budgetary techniques might have facilitated a more efficient - economic? rational? controlled? - disposal of financial resources, given that, by the early 1970s, the N.Z.B.C. was faced with problems resulting in the main from the inflationary state of the country's economy. But even assuming that the new techniques were of positive assistance in this regard they could still have been implemented without the abolition of media control.

Further, in terms of promoting an organisational structure conducive to the release of creative energies, the reorganisation - by wide consensus - failed. Instead, it had a depressive effect on the creative process in both media. In television, which of economic and technical necessity had to be organised on a more centralised basis than radio, the production process came to suffer from blurred lines of communication, authority and responsibility. N.Z.B.C. television was not faced with private competition, but the effects of the reorganisation later gave support to charges that the N.Z.B.C. was too bureaucratic, and that a second channel ought not to be run by the same organisation. These charges were levelled both by applicants at the Broadcasting Authority's television hearings in 1970 and 1972, and by the new Labour Government when justifying its decision, in January 1973, to abolish the N.Z.B.C.⁵⁵

53. Palmer to writer, June 30, 1976.

54. Ibid.

55. See the Minister of Broadcasting, R.O. Douglas, reported in The Dominion, February 1, 1973.

Radio considerations became overridden by the demands of television. Even under media control there was a strong danger that radio would play a poor "second fiddle" to television. This possibility became a certainty with the change to functional control.⁵⁶ (The then Editor of Current Affairs, for example - another who considered the reorganisation to be of most doubtful value - had to spend about 90% of his time and energy on television matters.⁵⁷) The comparative neglect of radio services also offered a justification for the Labour Government's decision to establish a separate radio corporation.⁵⁸

Ironically, although much was made in 1968/69 of the need for decentralisation, radio had been strongly decentralised for years. In Hay's words, "the N.Z.B.C., and the N.Z.B.S. and

N.B.S. before it, had always been very strongly decentralised in programming. As district manager in Christchurch I could do anything in the programme field except what the Corporation's policies prevented me from doing. Residual powers had always rested with the station manager and devolution could not have been greater than it was (at the time of the reorganisation)."⁵⁹

(This decentralisation had been an integral element in Shelley's plan to develop local community stations "to provide a unifying instrument for the entire community, stimulating civic consciousness and cultural endeavour, and embracing the interests of remote country districts."⁶⁰) Sceats, too, points out that as Director of Sound Broadcasting he had made "tremendous

56. The writer conducted a survey of persons who had served between 1965 and 1972 on the N.Z.B.C.'s three regional programme advisory committees (see Chapter 17). 14.08% of respondents felt that radio services under the N.Z.B.C. had come to assume the role of television's "poor cousin" "very much"; 19.72% "largely"; 47.89% "somewhat"; 9.86% "hardly"; 8.45% "not at all"; and 0.00% that radio was the dominant medium. Of the 81.69% of respondents who considered that television had come to take the primary role (to whatever extent), 53% were appointed to the committees before the reorganisation was implemented, and 47% afterwards.

57. B.G. Broadhead to writer, August 12, 1976.

58. See the Minister of Broadcasting, R.O. Douglas, reported in The Dominion, February 1, 1973.

59. Hay to writer, June 1, 1976.

60. Annual Report of the N.Z. Broadcasting Service, for the year ended March 31, 1947, p.3.

delegations" to local stations, and was annoyed when station managers referred decisions to him on matters within their own delegated authority.⁶¹

Why then did the reorganisation proceed in the manner it did when it could reasonably have been foreseen that it would have a stultifying effect on programme initiative? Hay has commented that, "looking back, had it been known in 1968 that within the space of two or three years there were going to be seven or eight private radio stations in New Zealand the N.Z.B.C. might well have kept media control."⁶² But the writing was clearly on the wall. By December, 1968, when implementation of the reorganisation was underway, the Broadcasting Authority Act had passed through Parliament. It was clearly the Government's intention that warrants should be granted for private radio stations.

L.R. Adams-Schneider, the Minister responsible for piloting the Broadcasting Authority Bill through Parliament, has stated that he had "always planned" to have about nine or ten private stations "strategically placed" to provide stimulus for the public broadcasting system.⁶³ Moreover, in its submission to the 1968 Royal Commission of Inquiry into Salary and Wage Fixing Procedures, the N.Z.B.C. stressed "the present and anticipated increased competition for radio and television performers, administrators, and technicians...."⁶⁴ Even in August, 1967, when the Board took its original decision to engage management consultants, the Government had long since made clear its plans for the introduction of private broadcasting.

It might have been, as McKinnon (who, "in retrospect", considers it to have been "bad reorganisation") has suggested, that the consultants were "not necessarily very able consultants."⁶⁵

61. Sceats to writer, May 21, 1976.

62. Hay to writer, June 1, 1976.

63. Adams-Schneider to writer, June 9, 1976.

64. Report of the Royal Commission on Salary and Wage Fixing Procedures in the New Zealand State Services, Government Printer, Wellington, August, 1968, p.159.

65. McKinnon to writer, May 8, 1976.

However, it might also have been that the Board, although knowing little about the operational requirements of a public broadcasting system, was determined to proceed against the advice of a disapproving Director-General. (McFarlane has stated that the Board was careful to obtain Stringer's "unreserved agreement" to the consultants' recommendations.⁶⁶ For his part, Stringer endorsed the report "in its entirety", but, as noted above, became critical

chief executive officers was a reaction to a certain "après moi, le déluge" attitude on Stringer's part, a belief that without his own personal hand on the helm the ship of the N.Z.B.C. would founder.⁷² He may or may not have been right; but such an attitude hardly endeared him to a Board anxious to establish its own authority.

The reorganisation, then, was a psychological triumph for the Board: the N.Z.B.C. had been reshaped according to its own specifications. It represented the consummation of the Board's 1967 victory whereby the Director-General had been rendered "its man". But it was also, as the announcement of January 1973 was to confirm, a pyrrhic victory.

72. This view was expressed to the writer by at least two top N.Z.B.C. executives who served under Stringer.

CHAPTER NINE: The Board's Quest for a Programme Role; Stringer -
"Prince" or "Hero"?

The tension that marked the relationship between the Board and the Director-General stemmed, in large measure, from the problem of professionalism. Under Stringer's conception of the "triumvirate", the Board's legitimate role was as a general policy-making body. On no account should it adopt an executive role that, in effect, would place day-to-day administration in its hands. The latter was properly the responsibility of the Director-General and under him, the rest of the career broadcasting staff.

The advent of the seven-member Corporation, in April 1966, caused cracks to appear in this simple edifice of structured responsibility. The problem was that the foundations on which it was based were unsound. This was not solely due to the artificial distinction between "policy" and "administration" employed by Stringer, a simplistic distinction long since abandoned in public administration theory.¹ It was due more particularly to the fact that its practical application was bound to fail in light of the expectations of responsibility that were brought to bear on both the Minister of Broadcasting, and the Board itself. In essence, the nub of the problem lay in the environment in which the N.Z.B.C. operated. As Holcroft has succinctly put it, "in this sort of environment, where Parliament often seems to function like a village council, and our legislators walk among us in the streets, and may know us by name, broadcasters cannot hope to stand aloof, or to achieve a complete independence."²

1. See, for example, P. Appleby's, Policy and Administration, University of Alabama Press, 1949.
2. M.H. Holcroft, Reluctant Editor, op. cit., p. 190.

In such an environment the public is inclined neither to make, nor to comprehend, nice distinctions between "policy" and "administration". While the N.Z.B.C. was established as a public Corporation, purportedly to provide some de jure autonomy from the day to day control of a Minister, the retention of the broadcasting portfolio did nothing to diminish the public's belief that the Minister was, in fact, still responsible for the administration of the organisation. Or, even if he were seen not to be, then he was in an advantageous position to influence its operations.

Just how successive Ministers of Broadcasting responded to this situation will be discussed in Chapter 11. Here the purpose is to review the Board's attempts to match with effective power the expectations of responsibility made of it. For it is clear that the Board was subject to the same pressures, and that its attempts to match this felt responsibility with commensurate power were met by resistance from a Director-General who regarded programme matters in particular as the legitimate preserve of the broadcasting staff, headed by himself.

Speaking in 1966, the Chairman (C.A. McFarlane) commented that,

"the Act places fairly and squarely on the members of the Corporation the responsibility for ensuring as far as possible that the programmes maintain a standard of good taste, a proper balance in their subject matter, a high standard of quality, and that news items are presented with due accuracy and impartiality and with due regard to the public interest."³

He pointed out that his responsibility was "passed on to the Director-General, and through him to every member of the staff dealing with the selection, production and presentation of programmes and news." But there were difficulties:

"Our editorial policy is restricted to seeing that these requirements are carried out. If they were carried out faithfully and in a spirit of mutual confidence throughout the organisation there would be no room for conflict. But human nature being what it is, we have different standards of judging values like balance, accuracy, impartiality and the public interest; hence editorial safeguards are inevitable and necessary."⁴

3. Address to N.Z. Institute of Public Administration, Dunedin, October 11, 1966. He was referring to Section 10(2) of the Broadcasting Corporation Act 1961.

4. Ibid.

McFarlane went on to quote with approval Lord Normanbrook's interpretation of the responsibilities of the B.B.C. Board of Governors in matters of editorial control. "It was", he said, "precisely the outlook of the members of the N.Z.B.C."

According to McFarlane,

"it would be physically impossible for the members to take an active part in the selection of programmes, and of course that is not intended. Nevertheless there is discussion of the programmes at each monthly meeting of the Corporation. Sometimes after the event and sometimes on new fields for the future. The results of surveys are studied, opinions are exchanged between members and staff. In that way the influence of the Board is transmitted in a general way to those who control the selection of programme material."⁵

As McFarlane hinted in his speech, the Board's view of the purposes of (in particular) news and current affairs broadcasting was somewhat at odds with the views of those making editorial decisions at the operative level. McFarlane recalls that,

"we said we would like to see much more attention paid to the worthwhile things that youth were doing. We asked why was it, in news programmes, that student protests and the like received central prominence while there were thousands of good youth activities round the country which were not receiving any kind of attention at all. Of course you get the usual reply, 'but that's not news.'"⁶

This difference between the values of a non-professional Board and those of the Corporation's news and current affairs staff was a major source of tension that lasted until the demise of the organisation itself. During McFarlane's Chairmanship it caused frustration among Board members as they sought to have some influence over programme policy (let alone daily programme administration). Trimmer, for example, stated that,

"the Board should confine itself to matters of policy and programmes. ... one of the major duties of the Board should have been to take control of and exercise authority at Board level on programming as a policy."⁷

5. Ibid.

6. McFarlane to writer, May 14, 1976.

7. Letter from Trimmer to writer, June 30, 1976.

On McFarlane's retirement, Trimmer wrote to him stressing again his view that "the members of the Corporation (Board) should divest themselves of more and more detail and really get down to the question of programmes (in) news and current affairs."⁸

The extent to which Trimmer, for one, felt public pressures as a Board member is further indicated by an earlier letter to McFarlane complaining that

"the image of the N.Z.B.C. (that is, you me, Price, Saxton etc) created by the pedantic Maori that is spoken by some announcers is a subject which I have previously raised at meetings of the Corporation ... Has any memo gone out from H.Q. in accordance with the Board decision? How long does it take for an instruction to go out? Or is no instruction sent out if the staff does not agree with the Board? ... You and I and members of the Board are being made to look like bloody fools."⁹

Trimmer appears to have been intent on having the Board adopt an "administrative" role in regard to programmes, not merely a "policy making" one. By his own admission, he usually found himself in "a minority of one" on this issue.¹⁰ Nevertheless, the Board as a whole was concerned at its inability to exercise even a general influence over programme policies. As McFarlane has put it, "we (the Board) were really responsible for programmes but we did not have the means to make that responsibility effective. We were very distant from programmes."¹¹ For example, McFarlane (quoted above) spoke of Board discussion "on new (programme) fields for the future." One such case was a suggestion by it to the Director-General that the N.Z.B.C. instigate a weekly television programme on manufacturing activities, similar in style to the successful production on New Zealand farming, "Country Calendar", screened weekly. But, as with the problem experienced by the Board in persuading the broadcasters to pay more attention to what it considered to be the laudable activities of youth, there were difficulties.

8. Letter from Trimmer to McFarlane, December 30, 1968.

9. Letter from Trimmer to McFarlane, January 17, 1967.

10. Trimmer adds, however, that Reeves Harris and later Mrs Dorothy McNab "were usually my supporters on these programme matters." - letter to writer, June 30, 1976.

11. McFarlane to writer, May 14, 1976.

The Board "ran up against a kind of professionalism in broadcasting. Because the suggestion had come down from Cabinet the professionals immediately got their backs up. We regarded this as completely ridiculous: it doesn't matter where suggestions come from they should be taken at face value. We found this problem so often, a rigid opposition by the professional broadcasters to suggestions that came from outside. They regarded themselves as the judges of what was right and wrong in broadcasting."¹²

Stringer was the "leader of the opposition" to the Board. McFarlane recalls that the Director-General continually tried to maintain his independence of the Board: "anything that came from the Minister was suspect; anything from the Board represented an attempt to dictate to the executive."¹³

Thus were there twin sources of tension between the Board and the Director-General in the programme areas: the one political, the other professional. In the first place, the suggestion that the N.Z.B.C. mount a "Country Calendar"-type programme on the manufacturing sector had been conveyed to the Board by the Minister after discussion in Cabinet (the suggestion was also made more than once by Government members in the House).¹⁴ Hence, it undoubtedly appeared to the Director-General as an attempt by the Government to use the Corporation for political ends - perhaps the assuaging of political interest groups, and intra-Party factions favouring the interests, respectively, of the farming and manufacturing sectors. Knowing it to have come directly from Cabinet, any Director-General with the slightest regard for the political independence of the organisation must have received the suggestion with more than a touch of suspicion.

From a professional viewpoint, there was a serious impediment to its implementation. According to Stringer (who, after the

12. Ibid.

13. Ibid.

14. See, for example, N.Z.P.D., Vol. 338, p. 640; Vol. 349, p. 3400.

National Development Council had made a similar recommendation in 1969,¹⁵ did investigate its feasibility), "Country Calendar" relied heavily for programme ideas on the network of rural broadcasting officers working throughout New Zealand. No similar source was available for a possible manufacturing programme. Secondly, farming innovations - which were a frequent source of material for "Country Calendar" - were not often commercially inspired, whereas manufacturing innovations in the offing would be kept secret to ward off competition.¹⁶

This is not to suggest that in this case the Board was sinisterly motivated (an assessment of the partisan political motivation of the Board is made in the next Chapter). It is to suggest, however, that it may have been inclined to display a naivety that could only enhance the suspicion between itself and the professional broadcasters.

McFarlane's public address in 1966 obscured the real tensions inherent in the situation. For example, his assertion that "it would be physically impossible for the members to take an active part in the selection of programmes" did not accurately reflect the Board's intentions. For the Board wanted to have one of its members sitting on the Head Office television programme purchasing panel.¹⁷ McFarlane recalls that the Board could never obtain satisfactory explanations from the Director-General as to television programme purchasing policy: "it was important that the Board should know why certain types of programmes were purchased, and why others were not."¹⁸ Stringer himself guarded the right to approve or disapprove of television

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15. Reported in The Press, September 15, 1969. According to the report, the Minister of Broadcasting, Adams-Schneider, "strongly supported" this recommendation and had referred the matter to the N.Z.B.C.
 16. Stringer to writer, July 13, 1976.
 17. McFarlane to writer, December 16, 1976.
 18. McFarlane to writer, May 14, 1976.

programmes offered for purchase: "the recommendations of the purchasing panel always went to me - it was not a function of the Board - and I would not approve a purchase unless I had seen the reports on the programme."¹⁹

Further problems arose from the fact that one member, D.F.C. Saxton, who was also General Manager of Taranaki Newspapers Ltd., and a former journalist, was appointed to the Board - according to the Minister²⁰ - to examine the activities of the N.Z.B.C.'s rapidly expanding news service. According to Stringer, Saxton came to take "a very intensive interest in the news and in the Listener."²¹ However, in his view, those who hoped that Saxton might be able to exert influence over these activities, "did not understand the workings of the Corporation. So long as the Director-General was responsible for programmes the Board had to go past the Director-General to get at the staff."²² Saxton's memo to the Board (see Chapter 7) complaining that the Act made satisfactory control by the Board "so difficult as to be almost impossible" is perhaps indicative of the frustration he felt in regard to his own particular interest.

The advent of Major-General McKinnon to the Chairmanship in February, 1969, heralded changes in the Board's oversight of programme policy. As already shown, by then the internal reorganisation had put important changes in train. In particular, the introduction of executive directors reduced the Board's reliance on the Director-General for programme advice. Under McKinnon these moves were consolidated.

19. Stringer to writer, July 13, 1976.

20. Scott to writer, May 10, 1976.

21. Stringer to writer, October 7, 1975.

22. Stringer to writer, October 7, 1975.

Of particular significance was the fact that McKinnon placed great importance on Section 10(2) of the Act. He regarded it as the Board's duty to ensure that programmes were "decent, balanced, and truthful."²³ In his words, "there could be no shirking this responsibility of the Board."²⁴

Both he and McFarlane before him were guided by Lord Normanbrook's insistence on the B.B.C. Board's responsibility to exercise "editorial control" over programmes in general. However, McKinnon's moves to translate the theory into practice were more positive. At the Board's April, 1969, meeting - only McKinnon's third - the Director-General was asked to advise it on how it could have "an impact on programming."²⁵ (It was also decided to arrange a seminar, "so that members of the Corporation can be briefed on the mechanics of programme selection."²⁶)

There is a strong resemblance between the means subsequently adopted and those which Lord Normanbrook had brought into force with the B.B.C. He had written that,

"at each of the regular meetings of the Board a period is set aside for the discussion of recent programmes, and individual Governors are encouraged to voice praise or blame for particular programmes. These comments are passed down the line to the individual producers concerned, and thus by degrees a body of Board opinion is built up and communicated within the Corporation."²⁷

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23. McKinnon to writer, May 8, 1976. The Act required the Corporation to satisfy itself that (a) "nothing is included in the programmes which offends against good taste or decency or is likely to incite to crime or to lead to disorder or to be offensive to public feeling; (b) programmes maintain a proper balance in their subject matter and a high general standard of quality; and (c) any news given in the programmes (in whatever form) is presented with due accuracy and impartiality and with due regard to the public interest".
24. Ibid.
25. N.Z.B.C. Board Minute, April 15, 1969.
26. Ibid.
27. Rt. Hon. Lord Normanbrook, op. cit., p. 13.

McKinnon outlined the N.Z.B.C. procedure as follows:

"the Director-General in his monthly report to the Board (is required) to highlight the main programme activities and thereby set a basis for discussion. The executive officers most directly concerned and the Editors of News and Current Affairs attend the meeting during this period. Commendation, comment and reproof if necessary is then given by the Board and from this develops a determination in retrospect of what is acceptable and what is not."²⁸

The new-style Director-General's report was approved by the Board at its June, 1969, meeting.²⁹ It is significant that till then, a general section (entitled "Items of Major Interest") headed the report. Later, a section entitled "Programme Output", and headed by a review of news and current affairs activity, took pride of place.³⁰

The system of Board oversight that developed was of an ex post facto nature, as was the case in the B.B.C.³¹ McKinnon has explained that Board members were expected to listen to and view programmes as extensively as they could. The Board did not give programme directives, feeling that any apparent attempt to coerce producers would be counter-productive.³²

28. Letter from McKinnon to Minister of Broadcasting, R.O. Douglas, December 11, 1972.

29. N.Z.B.C. Board Minute, June 17, 1969.

30. Perusal of Director-General's reports to Board.

31. Wrote Normanbrook (loc. cit.): "a large measure of discretion must inevitably be left with individual producers and with those exercising immediate supervision over their work. What can be done and is done is to encourage producers to refer upwards for guidance in any case of doubt: to reinforce that encouragement by adverse comment and criticism when mistakes are made. This process is essentially one of retrospective control by editorial review".

32. McKinnon to writer, May 12, 1976.

Importantly, however, since exceptions may be more instructive than the rule, the retrospective nature of the Board's oversight was foregone in favour of direction on at least one occasion. In late 1970 it was decided not to screen the pilot episode of "The Brian Edwards Show". (Edwards was the N.Z.B.C.'s top television current affairs interviewer. The pilot programme had been prepared as a forerunner to a possible series of shows featuring Edwards. It was hailed as "the most contentious, the most controversial and the most entertaining forty-five minutes of television ever seen in New Zealand."³³) The programme featured a confrontation between "representatives" of the radical left, and the Minister of Finance, R.D. Muldoon. Sceats, as Director-General, decided that the programme was not up to the standards required for broadcast.³⁴ However, after the rejection had been highlighted in the press, with Muldoon himself charging that the N.Z.B.C.'s decision provided an "excellent reason" why the proposed second channel should be put in independent hands,³⁵ the Board itself viewed the programme and confirmed the Director-General's decision. According to Sceats, the Chairman saw the programme before he did, as he (Sceats) had simply accepted the advice of his officers.³⁶

This incident gives rise to an interesting point of speculation. This pilot programme was the first of its type ever produced by the N.Z.B.C. Had it been proceeded with it is possible that the Board might have regarded its preview of the pilot as a precedent for extending its programme oversight by taking upon it itself the job of pre-viewing programmes thought likely to be politically embarrassing or in other ways controversial.

33. Brian Edwards, The Public Eye, Reed , 1971, p. 250.

34. Sceats to writer, May 21, 1976.

35. Reported in The Evening Post, December 9, 1970.

36. Sceats to writer, May 21, 1976.

In 1971, the B.B.C. was involved in a controversy over a political programme entitled "Yesterday's Men". According to Anthony Smith,

"the crucial element in the affair ... was that on the insistence of the Chairman, the Board of Governors had scrutinised the film on the day of the transmission, and ... decided to transmit it, with one sentence deleted."³⁷

The Chairman of the B.B.C., Lord Hill, had come increasingly to adopt the role of chief executive thereby "merely taking a stage further a process which had been occurring, by fits and starts, over a very long period."³⁸ The question is: would the propensity of McKinnon (as of McFarlane before him) to model the Board's activities on the experience of the B.B.C. have led him to justify a similar role within the N.Z.B.C.? (Well before he left office McKinnon had met Hill personally for discussions on broadcasting affairs.³⁹)

What is certain (and will be discussed further in Part Three) is that the Board's primary programme interest was in the fields of news and current affairs. Working deadlines would probably have precluded any active involvement by the Board on a day-by-day basis. It was for reasons such as this that the Board adopted the system of resolutions of "commendation" or "reproof" in order to set broad guidelines, thereby attempting to reduce the degree of uncertainty that could be manipulated by staff at the operative level (or, conversely, enhancing the degree of predictability in their day-to-day activities).⁴⁰

37. Anthony Smith, The Shadow in the Cave, op. cit., p. 145.

38. Ibid.

39. In his letter of December 11, 1972, to the Minister of Broadcasting (op. cit.), McKinnon stated that "we do, however, use the same system as that vogue at the B.B.C. (I have discussed this with the Chairman of the B.B.C.) ..." The Chairman was then Lord Hill, who visited New Zealand during McKinnon's period of office.

40. The notion of manipulating uncertainty is borrowed from M. Crozier, The Bureaucratic Phenomenon, Univ. of Chicago Press, 1964, esp. ch. 6.

This arrangement provides a good illustration of the problem of defining legitimate roles for the Board and the executive. Stringer seems to have worked on the assumption that a valid distinction could be made between "critical" and "routine" decisions (though he did not employ these concepts explicitly). Such distinctions are inextricably interwoven into the huge debate on the nature of "policy" ("critical" decisions) and "administration" (routine decisions), and are central to the works of such writers as H.A. Simon,⁴¹ Dwight Waldo,⁴² P. Selznick,⁴³ and A.S. McFarland,⁴⁴ to mention but four. As Selznick comments, "The more limited, and defined the task the more readily can technical criteria prevail in decision-making. That is one reason why critical experience increases as we ascend the echelons of administration, where decisions based on broader interests must be made."⁴⁵

In the N.Z.B.C.'s case, therefore, the resolutions of "commendation" and "reproof" were critical decisions, based on the Board's awareness of the "broader interests" which impinged upon the Corporation's perceived responsibilities. In this view, routine decisions could safely be left to the production staff and their immediate superiors. But what were routine decisions? The "guidelines" supposedly set by the Board's resolutions were, inevitably, only broadly defined. Enormous discretion remained at the operative level in defining what they meant "on the ground". Hence, supposedly "routine" decisions - essentially, which topics to cover on a current affairs programme, and how to do it - because, they had to be left to the discretion of the operatives, became "critical" decisions. For they impinged directly upon the broader interests with which the Board was properly concerned. In short,

41. H.A. Simon, Administrative Behavior, 2nd ed., Macmillan, 1957.

42. Dwight Waldo, The Administrative State, Ronald Press, 1948.

43. P. Selznick, op. cit.

44. A.S. McFarland, Power and Leadership in Pluralist Systems, Stanford Univ. Press, 1969.

45. Selznick, op. cit., p. 41.

the logic of the situation meant that the distinction between "critical" and "routine" decisions was extraordinarily difficult to determine. Perhaps more pertinently, virtually all decisions in news and current affairs programmes were, or could be seen to be, "critical" decisions.

Such being the case, there was an understandable propensity for the Board to pay continuing attention to the work of the news and current affairs staff. Information on these activities headed the programme section of the Director-General's report. It was almost entirely factually descriptive.⁴⁶ However, both the Editor, Current Affairs (B.G. Broadhead), and the Editor of the News Service (R.E. Coury), were invariably required to attend Board meetings (with the Director-General and Executive Director responsible for programmes) while their sections' activities were under discussion. The former recalls that it was under McKinnon's Chairmanship that "interrogations" began into current affairs activities, particularly on television.⁴⁷ The nature of the Board's concern will be examined further in Chapter 10. It needs mentioning here only that both Broadhead and Coury felt a need to "educate" Board members as to the legitimate functions of current affairs and news broadcasting.

In particular, the Board paid much attention to the twice-weekly television current affairs programme, "Gallery". Its producer, D. Monaghan, a comparatively junior officer, was called to the Board twice.⁴⁸ If McFarlane had some difficulty in involving

46. For example, the report for the Board meeting of April 27, 1972, stated that "a number of 'Gallery' items were mounted on the question of NZ's sporting ties with South Africa, following the Prime Minister's statement on the subject. Both Mr Marshall and Mr Kirk were interviewed, and a specially commissioned film report from New York was shown covering a press conference held after the meeting of the United Nations Special Committee on Apartheid at which three New Zealanders spoke ..."

47. Broadhead to writer, August 12, 1976.

48. Monaghan to writer, July 15, 1976.

the Board in the forward planning of programmes - unlike Normanbrook's B.B.C. Board⁴⁹ - McKinnon had more success. In May, 1972, for example, after discussion on "the heavy responsibility" of mounting "Gallery" twice a week, the Board invited the Director-General to "proceed with some urgency with the establishment of a second current affairs programme to supplement the present 'Gallery' programme or replace it on one day of the week."⁵⁰

The establishment by the Board of the means by which it could exert influence over programme matters could, theoretically at least, provide a mechanism by which partisan political pressures could be brought to bear. The extent to which the Board was able or inclined to act as a partisan political instrument will be examined in the following two chapters. Before concluding, however, it is appropriate at this point, also with a view to the content of Part Three, to offer a summary assessment of the power struggle between the Minister, the Board and the Director-General.

To recapitulate: Stringer considered that as Director-General of Broadcasting, and working within the context of a public corporation, he was nowhere near as powerful as he would have been as Director of Broadcasting within the former N.Z.B.S.⁵¹ This observation is important in explaining the tension that existed between himself and the Board.

49. Normanbrook, op. cit., p. 14: "The Board cannot itself operate on the studio floor, nor can it often join in detailed discussion of programme planning. From time to time, however, there are occasions on which the Governors can participate in the forward discussion of programme plans."

50. N.Z.B.C. Board Minute, May 30, 1972.

51. Stringer to writer, July 13, 1976.

Stringer was appointed Director of Broadcasting, in succession to J.H.E. Schroder, in January, 1962. As such he saw himself following in the steps of Shelley and Schroder - two men he admired immensely, especially Shelley⁵² - as the administrative (in his view, "professional") head of the country's public broadcasting system. As were Shelley and Schroder before him, Stringer was strongly motivated to protect the integrity of the professional broadcasting staff.

The provisions of the Broadcasting Corporation Act 1961, in particular those relating to the appointment of the Director-General, would seem to confirm that the original intent was to retain in the hands of the Director-General the same powers as had been delegated from the Minister to the Director under the N.Z.B.S. The Corporation (Board) for its part, was given the policy-making powers (with various constraints) previously exercised by the Minister, as well as the quasi-judicial and regulatory functions under Part III. Stringer's interpretation of this arrangement, of the creation of a "triumvirate" based on a doctrine of separated powers and "checks and balances", was apparently shared by the Minister originally responsible for the Act, A.E. Kinsella. Whether, in fact, this was the actual intention of Government itself must remain open to some doubt. The relevant point is, however, that in the words of W.I. Thomas, "If men define situations as real they are real in their consequences."⁵³

A principal consequence was that Stringer, working in harmony with a Chairman (Dr F.J. Llewellyn) who shared this interpretation, induced in Kinsella's successor, W.J. Scott, if not in Government as a whole, a sense of unease as to the extent of the Director-General's degree of independence. A new, enlarged, Board was

52. Stringer (to writer, September 30, 1975) commented on Shelley as follows: "When I came to broadcasting it was probably being associated with Shelley that was the biggest impact on my life. One couldn't help but be impressed by the man. He was a big man, physically and mentally. In a country the size of New Zealand, his impact was terrific. Everything he touched he left his own stamp on."

53. W.I. Thomas, quoted in R.K. Merton, Social Theory and Social Structure, revised ed., Free Press, 1958, p. 421.

appointed with a view to exerting greater control over the activities of the Director-General and thus over the organisation itself. The fact that the new Board soon came to press for legislative amendments that would make the chief executive their "own man" suggests tacit recognition of the legitimacy of Stringer's claim to a degree of statutory independence.

The Board was not predisposed to play "second fiddle". Most were prominent businessmen, and as such were probably not impressed with arguments on fine constitutional niceties but rather were concerned more with the apparent need for corporate unity of command. As McFarlane said, "it is all very well to talk of independence, but you still have to make the organisation work."⁵⁴ (Although McFarlane's career had been in the public service, and not in private business, he was during his term as Chairman a Director of Standard Telephones and Cables Ltd.)

Further, as public figures, particularly among the business fraternity, they were subjected to pressure - much of it at the level of daily personal interaction - regarding the activities of the N.Z.B.C., from politics to "pop" music. As with the Minister, expectations of responsibility created a need for power to match those expectations.

The acquisition by McFarlane's Board of offices on N.Z.B.C. premises symbolised, in Stringer's eyes, the trend towards greater Board power. The advent of an enlarged Board comprising overt supporters of the governing party aroused his suspicion as to partisan political intent. And the Board's establishment of its authority over him - by both statutory and reorganisational means - was eventually beyond his powers to prevent.

54. McFarlane to writer, May 14, 1976.

Stringer appears to have been motivated by a genuine concern for the legitimate independence of the public corporation which he headed. However, while it is often extremely difficult to fathom an individual's motivations, it is pertinent to inquire, in Stringer's case, whether his conflict with the Board was inspired more by considerations of private power than of public good. In short, it may be asked whether he was a "prince" or a "hero".

As Jennings puts it,

"great changes in the direction or character of an organisation often result from the struggle for power. The prince ... is best characterised as a 'power seeker' and not a great 'shaker' or 'mover' ... (he) is an individual motivated to influence others, primarily in the direction of support for himself, and secondarily in support of the causes with which he chooses to identify himself."⁵⁵

Stringer had waited for the top broadcasting post, Director of Broadcasting, but on attaining it had the mortification to see that he would be subordinate to a newly-established group of laymen. His struggle with the Board could thus be seen as intransigence born of resentment. Certainly, the importance he placed on a clear division between "policy" and "administration" was overdrawn, and his interpretation of that division far too simplistic. His adherence to this distinction may well have, eventually, created difficulties with the original Board and Minister, as it did with their successors. As it was, he remained strongly reluctant to share his power with the Board - with the result that he was less and less able to retain it. The prince was, in effect, outmaneuvered.

Yet, if, as became apparent in the B.B.C. with the discarding of the Whitley Document, the respective roles of the Board and Director-General cannot be defined once and for all, certain general principles may have lasting relevance. In Lord Simon's words, "it is ... of the most vital importance that the

55. E.E. Jennings, An Anatomy of Leadership, Harper Bros., 1960, pp. 34-35.

individual Governors should not interfere in the day-to-day management or in executive work. This would be not only undesirable, but dangerous. It would hopelessly undermine the authority of the Director-General."⁵⁶

(It should be remembered that Lord Simon as Chairman of the B.B.C. strongly demurred from the arguments set out in the Whitley Document.) It is difficult to determine the extent to which the Board did engage in activity which, by accident or design, weakened the Director-General's authority. By McFarlane's admission this did occur with one particular member.⁵⁷ Stringer maintains that it got "worse and worse", till McKinnon told him one day that some of the staff were no longer loyal to him (Stringer).⁵⁸ This activity by the Board undoubtedly enhanced the suspicion which the Director-General bore towards its members. His impatience was exacerbated by the non-professional (in broadcasting terms) status of Board members. As noted in Chapter 6, Stringer resented having to teach Board members "how to suck eggs". Thus, his own power was not only threatened but, as he saw it, it was threatened by persons who knew nothing about broadcasting.

Here again, it can be argued that Stringer displayed an inadequate understanding of the Board's role. The Board could justifiably be regarded as a type of "trustee for the national interest." (This, in fact, was the Whitley Document's principal definition of its role.) As such, it was not essential that members have any particular expertise in the field of broadcasting. It could be more desirable - in the interests of a learning response to changing public

56. Lord Simon (former Chairman of the B.B.C.), The B.B.C. From Within, Gollancz, 1953, pp. 68-69.

57. McFarlane (to writer, June 15, 1976) recalls that one Corporation member used to call in on the District Manager in Christchurch to discuss matters with him. According to McFarlane, Stringer told the District Manager to give the caller short shrift, which later led to a complaint by the member to McFarlane about the Manager's rudeness.

58. Stringer to writer, July 13, 1976.

tastes, attitudes and expectations - that they did not: "broadcasting is too important to be left to the broadcasters." As Wedell has commented,

"it is no new phenomenon for large and well established public bodies to create their own orthodoxies and to become reluctant to put themselves in the way of outside criticism."⁵⁹

The appointment to public bodies like the N.Z.B.C. of people whose thoughts and actions are not moulded by the prevailing professional orthodoxies may help to ensure greater organisational responsiveness. Stringer maintained that "people with broadcasting knowledge" were "desperately needed" on the Board.⁶⁰ It may be that the need was for more persons who could successfully blend a sensitivity to changing environmental demands with a knowledge of professional possibilities. However, Stringer's vehemence on this issue in regard to the enlarged Board under McFarlane and McKinnon, as contrasted with his favourable attitude towards the unobtrusive three-man Board (also largely inexperienced in broadcasting matters) under Llewellyn, suggests that he was opposed to any expansion of the Board's functions per se, rather than to an expansion of functions by persons whom he considered to be incompetent in the affairs of broadcasting.

On the other hand, his belief that the Board should comprise persons with broadcasting knowledge suggests that he may not have resented an expansion of the Board's role, provided that expansion was in the hands of the "right" people; for it is reasonable to suggest that the more broadcasting expertise on the Board, the more will be its propensity to seek greater administrative involvement.

As already mentioned, Stringer considered that, in light of developments following the introduction of the seven-member Board, he would have been better able to assert the "programme independence" of the N.Z.B.C. had he been the permanent head of a government department like the N.Z.B.S. The question here, however, is independence for what?

59. E.G. Wedell, Broadcasting and Public Policy, op. cit., p. 49.

60. Stringer to writer, July 13, 1976.

It is difficult to see, for example, how the comprehensive broadcasting news service could have developed had departmental control been retained. Its impartiality, under direct ministerial control, could never have been manifest (though it might have been real). Nor as will be argued in Part Three, was Stringer effective in articulating a coherent philosophy of the N.Z.B.C.'s social responsibilities. He was uneasy in this area, preferring instead to keep a sceptical eye on the Corporation's journalists as they in turn seemed to despair of his ever offering the leadership they felt to be necessary for the maintenance of the organisation's sense of integrity. An important contrast could be made with the B.B.C. The Director-General of the B.B.C., although appointed by the Board of Governors, has always been far more than a mere servant of the Board. Thanks mainly to Reith, he has enjoyed de facto independence from the Board, and as Editor-in-Chief has been able to acquire and maintain authority through the professional leadership he has supplied to the organisation. By contrast, Stringer enjoyed a good measure of de jure independence from the Board, but he seemed unable to broaden it into a de facto power base from which to gain the trust and confidence of the professional broadcasters and so offer the type of leadership essential to the broadening and maintenance of organisational autonomy. Worse, his intransigence was an important factor in bringing about the two events that perhaps did most to harm that autonomy, in the short and longer term, respectively. These were the advent of the Broadcasting Authority in 1968, and the internal re-organisation of 1968-69.

As Anthony Smith has commented,

"all broadcasting begins with a franchise granted by Government and depends for its continued existence on periodical renewal."⁶¹

61. Anthony Smith, The Shadow in the Cave, op. cit., p. 140.

Yet Stringer's hostility towards W.J. Scott caused a deteriorating relationship with the man who had direct access, by way of Cabinet, to some of the important resources the N.Z.B.C. needed. One such resource was governmental goodwill. This must not be purchased at the price of a valid independence; but nor should it be squandered through unnecessary personal antagonism.

Nevertheless, there was much more to Stringer's awkward relationship with the Board (and with Scott) than the devious maneuverings of a self-seeking prince. Regard Jennings' "hero", who is

"a man on fire. He has a deep and disturbing sense of mission for which tremendous social power is necessary. He is purpose directed. For him power is the means towards a great and noble end."⁶²

This may not be strictly apposite in this case, but there is no doubt that Stringer brought to the Director-General's job a very real and powerful sense of purpose. As will be shown in Part Three, it was perhaps above all else a commitment to the task of providing for New Zealanders the wherewithal of television broadcasting - the expansion of technical facilities throughout the country. But Stringer was preoccupied with more than towers and aerials. Strongly influenced by Shelley, he was also deeply imbued with a desire to preserve what he felt to be the best possible broadcasting standards. This was manifest, for example, in his insistence on providing the final approval to television programme purchasing schedules, and, most importantly, in his almost obsessional concern to keep the Board away from operational decision-making.

62. Jennings, op. cit., p. 105.

Stringer's problems, therefore, cannot be traced to any lack of a sense of purpose, nor to any lack of personal integrity or courage. (Possibly because of his difficulties with the journalistic staff - See Part Three - Stringer was sometimes depicted as being rather supine in his efforts to preserve the N.Z.B.C.'s integrity from what was seen to be unwarranted political interference.⁶³ Events outlined in the previous chapters demonstrate the dubiousness of such charges.) Rather, his difficulties stemmed from a certain impetuosity, born of the mistaken assumption that, having granted the new corporation a good measure of statutory independence, the Government of the day would seek to consolidate rather than to undermine that same independence. Stringer's eager embracement of the autonomy ascribed by statute to the organisation, and to himself, invoked a startled governmental response which in turn made the Director-General more determined to fight the encroachments of the Minister and the Board. There can be no real doubt of the sincerity of his intentions as he found himself caught up in a struggle that he would almost inevitably lose.

63. For example, see the comment of Alex Toogood, footnote 45, Chapter 6. Similarly, in preview, the N.Z. Truth of March 13, 1962, commented: "The Corporation's Director-General is to be appointed by the Government on the recommendation of the Corporation. If he doesn't toe the line he need not expect to be reappointed."

CHAPTER TEN: Governmental Appointment of the Board - The Question of Political Partisanship.

The Broadcasting Corporation Act 1961 provided for the appointment of the Corporation, or Board members as they became known, by the Governor-General.¹ In practice, this meant that the Government would make "recommendations" for vice-regal approval, with the initiative in selecting prospective Board members resting with the Minister of Broadcasting. This method seriously challenged the manifest independence of the N.Z.B.C. However, it is more difficult to gauge the extent to which Board members acted in a politically partisan manner during their terms on the Board.

It is reasonable to assume that, in making these appointments, the respective Ministers of Broadcasting gave to the appointees some indication as to what the Government expected of them.² However, it is another thing to be able to support any assumption that such advice was aimed at seeking political advantage. As one observer has put it, "Everything is nice and friendly; and everybody believes in freedom and independence; and nothing, absolutely nothing, is put in writing, which could suggest the contrary."³ That leaves recollections of past conversations; but such recollections are notoriously clouded on these matters. Nevertheless, from the limited evidence available it is possible to speculate upon the extent to which ministerial appointment of N.Z.B.C. Board members served partisan political interests. An appropriate beginning can be made by discussing the more direct linkages between Government and its appointees on the Board.

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1. Members were appointed for three-year terms with the possibility of reappointment. To achieve continuity of office-holding, the Act provided for one of the original members to retire after one year, and the other after two years. The original Chairman was appointed for the full three-year term. See the Broadcasting Corporation Act 1961, Sections 3 and 4. For a list of Board members appointed during the years 1962-1972, their occupations, and their terms, see Appendix D.
 2. See, for example, footnote 51, Chapter 6.
 3. M.H. Holcroft, Reluctant Editor, op. cit., p. 191.

The National Government attached overwhelming importance to the need to have business and professional persons as members of the Board. This was so right from the establishment of the Corporation in 1962. According to A.E. Kinsella, it was necessary to have only a three-man Board because of the shortage of suitable persons who could "spare the time."⁴ Two of the three men chosen, J.A. Stenberg and Reeves Harris, were businessmen: the former, from Auckland, in the shoe industry; the latter, from Christchurch, in engineering.

Kinsella recalls that the need for "business expertise" on the Board was dictated by the vast amount of capital development facing the new corporation, principally television expansion. The appointment of Dr. F.J. Llewellyn as Chairman was, according to Kinsella, dictated by the desire to have "someone with interests in a wide field."⁵ The proclivity to appoint business and professional men was even more apparent when the Board was enlarged to seven members in April, 1966. Three more businessmen were appointed, together with a lawyer and a company general manager, to join Harris (Stenberg having become unavailable for reappointment) and Llewellyn's successor as Chairman, C.A. McFarlane.

Subsequent appointments comprised a company director, a city public relations officer, a lawyer, an accountant, a minister of religion, and a farmer's wife, in addition to Major-General W.S. McKinnon (formerly Chief of the General Staff) as Chairman in place of McFarlane. As Minister of Broadcasting, W.J. Scott favoured businessmen because of the "urgent need" to have "people of ability" who could exercise firmer control over the Director-General. Scott considered that his appointees were "strong people who would take an interest in the N.Z.B.C. and who wouldn't be pushed around."⁶ Businessmen of proven ability were seen to fit this mould.

4. Kinsella to writer, May 18, 1976.

5. Ibid.

6. Scott to writer, May 10, 1976.

Pending appointments were discussed in caucus, which also submitted names of possible candidates. This, according to Scott, reflected the Prime Minister's (K.J. Holyoake's) "team" approach to Government. However, the appointments to the enlarged Board were all people that the Minister himself had on his personal list. He felt that "in the early stages it was necessary to get the Board settled down and operating better than it was." Only later would it be possible to bring in persons from wider fields of endeavour.⁷ But later Scott's successor remarked, in regard to the appointment of Major-General McKinnon, that he (Adams-Schneider), "didn't want someone who could decide whether we should have 'Coronation Street' on or not, but someone who would pull the show together, get some efficiency into it, and endeavour to run it in a business-like way."⁸

Naturally, no Government is likely to admit publicly that its appointees to such a politically sensitive area as broadcasting are selected primarily, or even partly, on the basis of partisan political considerations. In 1970, the then Minister of Broadcasting, H.J. Walker, asserted that, "appointments to the Corporation are made strictly on suitability based on business acumen and technical ability and know-how."⁹ This brought an Opposition question as to whether "the know-how is not knowing how much to contribute to National Party Funds?"¹⁰ The retort was understandable. Apart from the heavy business and professional emphasis which could be seen as a bias in the National Party's favour -

7. Ibid.

8. Adams-Schneider to writer, June 3, 1976.

9. N.Z.P.D., Vol. 370, p. 5397.

10. N.Z.P.D., Vol. 370, p. 5398.

Reeves Harris (who left the Board on March 31, 1970) had been a "pillar of strength" for the party in Christchurch;¹¹ R.J. Laurenson was a party liaison officer; and Dorothy McNab (Harris's replacement) was deputy-chairman of the Clutha electorate of the National Party and a member of the divisional executive. In 1972, at the time of the MacLeod affair, only two of the seven board members were not "open supporters" of the party. Of the other five, four - including the Chairman, McKinnon - were party members, and the fifth was a supporter.¹²

Laurenson recalls that his party membership had "nothing to do with his appointment."¹³ Similarly, McNab has argued that "when an administration looks around for appointments to its various boards ... it looks first for ability and integrity."¹⁴ The interesting question, however, is whether or not ministers - of whatever party - tend, consciously or not, to define "ability and integrity" in terms of their own (and their party's) prevailing attitudes, values and assumptions. Did Scott, for example, make his appointments on the basis of an implicit assumption that successful businessmen were assuredly men of "ability and integrity", that the type of hard-nosed individuals necessary to put a brake on the Director-General would be those who had proved themselves in the cut and thrust of the business world? Was it also that successive ministers viewed the N.Z.B.C. essentially as a major business concern whose multi-million dollar operations required, above all else, guidance from those with skill and flair in business management?

11. Scott to writer, May 10, 1976.

12. According to The Dominion, of July 28, 1972, the members were Major-General McKinnon, B.E. Brill, B.G. Cathie and Mrs. D. McNab. M.L. Tronson was a party supporter. The other two members, Rev. K.M. Ihaka and J. Collins did not "admit to being members of any political party."

13. Laurenson to writer, May 25, 1976.

14. Letter from McNab to writer, June 22, 1976.

Why not, for example, have trade unionists on the Board, or educationalists, or creative artists? Was it believed that the N.Z.B.C.'s capital development plans called for control by persons whose demonstrated business acumen would ensure that the Corporation operated within its financial means, as it was required to do? Or was it also believed that trade unionists, educationalists, and creative artists were "left leaning" in their politics (whatever that may mean in regard to specific issues), and hence were not persons of "ability and integrity"? (Walker, for example, described the Board of 1972 as "probably the most high-powered, competent Board that any broadcasting organisation has had."¹⁵) Or was it, more simply, that the Government believed it would be surrendering a measure of political advantage by appointing such persons? (The fact that the question of manifest bias in Board appointments aroused little public attention in the 1960s meant that an opportunity was there to be taken.)

It is simply not possible to give definite answers to these questions, although statements (already quoted) by successive ministers indicate that the Government did tend to see the N.Z.B.C. as a large business enterprise requiring, above all, sound business management. The answer is probably that all three factors contributed to the nature of the appointments made to the Board: that is, implicit belief in the virtues and abilities of successful business and professional persons; a trust in their political acceptability; and outright political opportunism.

15. H.J. Walker to writer, June 30, 1976.

These questions will be touched on again during this chapter. But at this point it can be argued that a linkage of potential partisan influence was established between the Government and the N.Z.B.C. via Board membership.

To argue that, however, is not necessarily to show that Board members, once appointed, acted merely as the extended arms of Government, or of the Minister in particular. Appointees to any statutory public board may be influenced more by their own perceptions of the requirements of office than by the demands of partisan politics. They may hold, or come to hold, a genuine belief in a broader public good; they may be imbued with a sense of social responsibility; or they may have, or acquire, a taste for independent power. (See, for example, the Board's 1967 draft bill, Appendix B.)

In the case of the N.Z.B.C. Board it would be a gross oversimplification, if not a distortion of the truth, to argue that some members were motivated primarily by their desire to serve the best interests of the National Government.

The episode of 1966, in which the Board threatened to resign in protest against the Minister's actions, indicates that it was not just a puppet of the Government. As Scott said, "here were these people who I thought were my friends, all going to resign."¹⁶ However, the question is, why did the Board not resign? Scott did not fully meet the Board's demand for public rectification of the matter. According to the Board, it was "willing and anxious

to co-operate with Government to any reasonable extent. However, it feels very strongly that in recent weeks it has been made a public scapegoat, for a situation which is not its responsibility ... Without complicating the issues unduly by the introduction of too much detail, the Corporation wishes in conclusion to emphasise that the introduction of private enterprise into broadcasting under Section 14 of the Act is a long way from being as simple as the public, and possibly many members of the Government, may imagine."¹⁷

16. See footnote 44, Chapter 7.

17. "Suggested Representation to the Minister of Broadcasting, the Hon. W.J. Scott, when he meets the Broadcasting Corporation on Monday, 14 November 1966" - paper prepared by C.A. McFarlane, Chairman.

The Board prepared a draft news release to be issued by Scott. It emphasised his continuing regard for its members: "my purpose in publishing my letter (to the Board, of October 31, 1966) was to show the desire of the Government to have urgent action taken in dealing with the applications for contracts for broadcasting time ... and certainly was not a reflection on the members of the Corporation for whom I have a high regard and complete confidence."¹⁸ Yet, shortly after, the Board complained to the Minister that,

"the public statement issued ... by you, which appeared in various forms in different newspapers, does not, in the opinion of the Corporation, correct the position adequately, and the members of the Corporation, all of whom occupy positions of responsibility in the public life of New Zealand, are still deeply disturbed over the effect of what they regard as the unjust criticism of the Corporation expressed by you in recent public statements."¹⁹

Just why the Board did not resign, in spite of the fact that the Minister had failed to resolve the matter to its satisfaction, may be deduced from its own words: "the Corporation is fully conscious of the political implications of the 'pirate' developments ... and has no wish to embarrass the Government further by tendering its resignation in this sensitive election period, making its reasons public, which was its dominant feeling at the special meeting on 7 November."²⁰

The incident suggests that a Government cannot depend on its appointees to act simply as its extended arms. In return for what might be called a measure of political sympathy (which may amount to nothing more than a willingness not to go out of its way to embarrass a Government, particularly when an election is at hand), the Government is expected manifestly to respect the integrity and ability of the Board. It must also be seen to respect the Board's domain of independent action. In this case, it is quite possible that had the issue not arisen in the midst of an election campaign the Board would have resigned. The fact that it did not, however, cannot necessarily be taken as evidence of the partisan political motivations of its members.

18. Draft notes prepared by McFarlane.

19. "Suggested Representation to the Minister of Broadcasting etc", op. cit.

20. Ibid.

It may reflect nothing more than an implicit rule of the political game as played by governmental and quasi-governmental agencies: namely, the closer an election the more care should be taken to avoid actions that may cause the Government (and the principal opposition) embarrassment. In this instance, however, the Board backed down in spite of feeling that it had very good cause to resign and so embarrass the Government, the unwritten rule notwithstanding. The incident thus illustrates the marginal benefits that may accrue to a government through its ability to manipulate appointments to statutory boards like the N.Z.B.C. In this light, ministerial appointments may be seen not as a means of ensuring de facto control by Government, but as a political bonus, or as a form of insurance policy the premiums on which may be paid at a particular time of Government need.

The Board's concern over its manifest integrity is illustrated by a much later incident, this time in the election year of 1972. On March 23, 1972, McKinnon wrote to the Prime Minister, J.R. Marshall, pointing out that "especially in an election year" the Board must be non-political and that if people of political affiliation were to be appointed, then such appointments must be balanced. He assured the Prime Minister that the Board did not act politically, and might even bend "too much the other way" in its desire to act impartially.²¹ The Chairman's concern was with the Board's manifest political impartiality and independence. A Board position was open for appointment as from April 1, and McKinnon suggested that a person identified with the Labour Party should be appointed. He suggested A.H. Nordmeyer, J.L. Roberts or John Jeffries.²²

21. Letter of March 23, 1972, from McKinnon to Marshall, copy shown to writer by McKinnon, May 12, 1976.

22. Ibid. Nordmeyer was a former Leader of the Parliamentary Labour Party; Roberts was Professor of Public Administration at Victoria University of Wellington; and Jeffries was a prominent Wellington lawyer (later a Judge of the Supreme Court).

(Interestingly, this letter was sent well before the MacLeod affair broke in July, 1972.) No such person was subsequently appointed by the National Government. The then Prime Minister (now Sir John Marshall) has recalled that the Minister of Broadcasting, H.J. Walker, was enthusiastic about McKinnon's proposal, but caucus was not. On July 27, 1972 - two days after the Board had dismissed MacLeod - McKinnon wrote again in similar vein, this time to Walker.²³ Nothing came of it.

The episode suggests that partisan political considerations may be exacerbated when the names of possible appointees are referred to caucus. In this case, Walker recalls that both caucus and cabinet agreed to approach Nordmeyer, but it was also decided that the approach would not be made until the following year,²⁴ that is until after the General Election in November, 1972. It is possible that caucus believed the Government could reap advantage in the build-up to the election by deferring this matter, or it might have been thought that any attempt to "balance" a Board of predominantly National Party members with one Labour - affiliated person would be seen as a form of political tokenism thus highlighting the composition of the Board.

McKinnon appeared to place a high value on political impartiality and independence. As Llewellyn had done, McKinnon was prepared to express strong criticism of Government. His public response to the Minister of Finance, R.D. Muldoon, that the N.Z.B.C. would not respond to "threats or bribes"²⁵ in its efforts to acquire control of the second television channel was probably the most outspoken since Llewellyn had accused the Government of "procrastination" on the same issue six years earlier.

23. Copy of letter shown to writer by McKinnon, May 12, 1976.

24. Walker to writer, June 30, 1976.

25. Reported in the N.Z. Herald, December 11, 1970.

Muldoon had stated that the N.Z.B.C.'s decision not to screen the pilot episode of "The Brian Edwards Show" (see the previous chapter) "provided an excellent reason for New Zealand's second television channel to be in independent hands."²⁶ McKinnon recalls that he had wished to use the words "neither threats, bribes nor blackmail", but was advised by the Public Relations Officer, P.A. Fabian, to delete the reference to blackmail.²⁷

McKinnon believed that it was properly the Chairman's job to refute publicly any serious and unfounded charges against the N.Z.B.C., particularly those emanating from politicians.²⁸ (This view indicates how the relationship between Chairman and Director-General had changed. Under Stringer such comments were generally made by the Director-General as chief executive and defender of the professional autonomy of the N.Z.B.C.'s staff. McKinnon believed that this should be the Chairman's role). Fabian maintains that McKinnon was "strong and positive" in his determination to counter unfounded public allegations against the N.Z.B.C.²⁹

It is likely that McKinnon's military career shaped his strongly held attitudes on these matters. As a man to whom "honour" was a paramount value, McKinnon made a genuine attempt to define his job in terms of a broader public interest. (He recalls a disagreement with Adams-Schneider about whether the N.Z.B.C. was ultimately responsible to Government or to Parliament. In the Minister's view it was Government; in McKinnon's, Parliament.³⁰)

26. Reported in the N.Z. Herald, December 10, 1970.

27. McKinnon to writer, May 8, 1976.

28. Ibid.

29. Fabian to writer, May 19, 1976.

30. McKinnon to writer, May 8, 1976.

According to one Board member, McNab, McKinnon was "scrupulous in seeing that the requirements of the Act relating to programmes were observed",³¹ and he himself has stressed the "great importance" he placed on the Act in determining just what the functions and responsibilities of the N.Z.B.C. were.³² As will be discussed in Part Three, this approach had other important implications in regard to news and current affairs broadcasting. However, in the context of this discussion it indicates that the Chairman was imbued with a sense of social responsibility.

It has been claimed by a former senior officer of the N.Z.B.C. that the Board's unwillingness to act in harmony with the political interests of the Government evoked a personal letter from R.D. Muldoon, to McKinnon, charging that the Board was "a political rats' nest."³³ Also, Laurenson recalls that while a Board member he was occasionally criticised by party members (not Parliamentarians) for not being sufficiently pro-party in his work on the Board. He, however, defined his role as being a "trustee of the licence-holder."³⁴ The extent to which Board members were subjected to pressures from partisan political interests is impossible to gauge. On the one hand, McNab cannot recall one occasion when "the Government attempted to exercise any pressure, or give any direction to the N.Z.B.C."³⁵ Trimmer emphasises that "at no time during those five years was I personally and nor was any other member that I know of, either individually or as a Board member, subjected to any pressure from any politician, any minister, or from Government."³⁶ And Laurenson, while admitting to being criticised by party members, nevertheless has stated "unequivocally" that "at no time was any pressure placed on me."³⁷

31. Letter from McNab to writer, June 22, 1976.

32. McKinnon to writer, May 8, 1976.

33. This information was supplied to the writer by a senior N.Z.B.C. officer who claims to have seen the letter.

34. Laurenson to writer, May 25, 1976

35. Letter from McNab to writer, June 22, 1976.

36. Letter from Trimmer to writer, June 30, 1976.

37. Laurenson to writer, May 25, 1976.

The problem is to know what is meant by the word "pressure". Indeed it is probably the wrong word to describe the relations between the Board and Government. For "pressure", in the sense of coercion - which is what Board members appear to have had in mind - is unlikely to have existed much, if at all. If applied to persons who had a firm belief in their own integrity and a sense of independence of action - as McKinnon at least (not to mention the 1966 Board) seem to have had - it would likely be counter-productive. What was involved, however, was not pressure in the normal sense of the word, but rather what might be called a sympathetic response to anticipated preferences. This can be illustrated by two events, both in the General Election year of 1972. One is the so-called MacLeod affair. The other, which may be called the Coury affair, was never brought to public attention, and is examined here at greater length.

On July 25, 1972, the N.Z.B.C. Board dismissed the Editor of the N.Z. Listener, Alexander J. MacLeod. A retired Stipendary Magistrate, E.A. Lee of Christchurch, was appointed by the Government to conduct a public inquiry into the events surrounding MacLeod's dismissal. Lee concluded that the Board was justified in dismissing the Editor, and was neither subject to any political interference or influence, nor was influenced by any political consideration in making its decision.³⁸

There can be no doubt, as the public inquiry showed, that much of the Board's dissatisfaction with MacLeod stemmed from his poor relationship with it, and with staff members, including the Director-General.³⁹ However, it seems most unlikely that this was the sole reason for the Board's dissatisfaction with MacLeod. Nor may it have been the most important, though it is impossible to determine this.

38. See Lee's Report, N.Z. Commission of Inquiry into the Dismissal of the Editor of the New Zealand Listener, Wellington, 1972.

39. See, for example, reports in The Evening Post, September 7, 23, 28 and 29, 1972.

Significantly, however, the inquiry commissioner's report did not consider the fact that five of the seven Board members were also members of the National Party. Of its own this may not have been relevant except for the fact that the Board had for some time been highly critical of the tone of several of MacLeod's editorials. Moreover, and importantly, it was an unease also felt by members of the Government. The then Prime Minister, J.R. Marshall (now Sir John) concedes that it was felt MacLeod had been writing editorials that were "too much to the left, too extremist", in their views.⁴⁰

A concern was felt, by both the Board and the Government, that the journal could be seen to be adopting a particular political stance. This was felt to be an abrogation of the N.Z.B.C.'s responsibility, as a public corporation, not to editorialise.⁴¹ The Board proposed that the editorial column be dropped from the Listener.⁴² This was to be discussed at the Board meeting which MacLeod failed to attend. Yet ever since a politically sensitive editorial by Holcroft on the 1956 Suez crisis the editorial had been either initialed or signed by the writer, to indicate that it was neither the official opinion of the magazine itself nor of the N.Z.B.S. (C).⁴³

The fact that the Board felt this to be insufficient may be attributed to the differing styles and interests of MacLeod and Holcroft. MacLeod was a far more politically-orientated writer than Holcroft. MacLeod was a former defence reporter for The Scotsman. He was President of the N.Z. Institute of International Affairs, and through his writing had acquired standing as a leading commentator on New Zealand's international relations.

40. Sir John Marshall to writer, July 6, 1976.

41. Ibid. Also McKinnon to writer, May 8, 1976.

42. At its meeting of May 30, 1972, the Board, after receiving a report from its Listener committee, resolved that "the editor of the N.Z. Listener be advised by the Director-General that the place of the editorial in the Listener is under review by the Board with a view to dropping it ...". N.Z.B.C. Board Minute, May 30, 1972.

43. See Holcroft, Reluctant Editor, op. cit., Chapter 4.

Holcroft, on the other hand, was essentially a man of letters, a prominent literary critic and a leading New Zealand essayist. He received a Lit. D. (honoris causa) from Victoria University of Wellington in 1976. His strategy as Editor of the Listener had been one of "pushing at the edges of acceptability," and then easing off until any political, especially governmental, disaffection had died down.⁴⁴ He held the post from 1949 until his retirement at the end of 1967.

In the words of the N.Z.B.C.'s counsel at the inquiry into the affair, MacLeod's editorials were of a "much narrower range" than Holcroft's, with little on the arts. They contained "a ... continual criticism of leadership in New Zealand, whether of Government, Ministers, departments or N.Z.B.C. administration."⁴⁵

During 1969 and 1970 MacLeod received 'phone calls from McKinnon in response to each of four editorials written on the Vietnam War.⁴⁶ McKinnon, a man of military background, had attempted to argue MacLeod out of "the somewhat critical stance" he had adopted on the Vietnam commitment.⁴⁷ (In MacLeod's view, the Chairman's remarks were "plainly intended to circumscribe my freedom of editorial comment."⁴⁸) MacLeod also revealed during the inquiry that in 1972, another election year, McKinnon and two other Board members,

44. Holcroft to writer, September 17, 1975. Elsewhere (Reluctant Editor, op. cit., p. 195), Holcroft comments that, "The Minister of Broadcasting, Mr Scott, had asked the new Chairman, C.A. McFarlane, if the editorial policy of the Listener could not be supervised; and when I learnt from another source that copies of my editorials were being kept in the Ministerial office I was pretty certain they were not there to be admired. I think my treatment of controversial topics had made me unpopular with some politicians." Clearly, a degree of governmental sensitivity had always existed in regard to the Listener. MacLeod's political emphasis brought it to a head.

45. Reported in The Evening Post, August 29, 1972. According to MacLeod himself, "roughly half" his editorials concerned either international affairs or "local issues of a political nature". - quoted, from the transcript of the inquiry, in "Politics and Broadcasting: The Commission of Inquiry into the Dismissal of Alexander MacLeod," in Stephen Levine (ed.), New Zealand Politics: A Reader, Cheshire, 1975, p. 280.

46. Reported in The Evening Post, August 15, 1972.

47. Ibid.

48. Ibid.

McNab and Tronson had expressed misgivings to him about some of his editorials. He claimed that their concern was coloured by their political allegiance and was a consideration in regard to his dismissal.⁴⁹

While MacLeod himself gave the Board the excuse it needed for his dismissal, by failing to attend its meeting after having been summoned four times, it is reasonable to speculate that the latent unease Board members had felt towards MacLeod's editorials was an important factor in their decision to get rid of him. The editorials were apparently not discussed by the Board on the day of the dismissal, but the issue may well have provided an unspoken background against which individual Board members weighed their decision. Arguably, the festering problem of MacLeod's staff relationships became, in the minds of members, inextricably enmeshed with their dissatisfaction over the political flavour of his editorials. He was seen to embody a range of undesirable qualities: political extremism, a lack of respect for the authority of the Board, and incompatibility in staff relations. Seen in this light, MacLeod must have appeared as a consummate "villain". If there were a chance to dismiss him, then it had to be taken.

It is not possible to say whether the Board was, or had been, subjected to any political pressure (in the coercive sense) to have the Editor dismissed. But it seems unlikely, for the reasons outlined earlier. Rather, it is more likely that the Government's concern was informally expressed to, and shared by, Board members. In turn, the Board responded sympathetically to what it believed would be Government preferences towards the "problem" - that is, stop the editorials. The actual dismissal seems to have been a spur of the moment action, taken in anger when MacLeod himself presented the Board with the right opportunity. As will be discussed shortly, however, the Board was also acting in what it believed to be the N.Z.B.C.'s best interests.

The MacLeod affair was, as it turned out, an embarrassment to the Government, for it enabled its opponents to focus public attention on the manifest political bias of the Board's appointees.⁵⁰

49. Reported in The Evening Post, August 29, 1972. As noted above, McKinnon and McNab were National Party members, and Tronson was a supporter.

50. See, for example, the Leader of the Opposition, N.E. Kirk, reported in The Press, July 31, 1972.

The Government may well have preferred that MacLeod not be sacked, at least until after the election had passed. To that extent the Board could be said to have overestimated the Government's preferences. That, however, was a question of judgement, and if any conclusion can be drawn from it, it must be that the process of governmental appointment of members of statutory boards also carries with it, as a counterweight to the insurance premium factor, the possibility of political embarrassment.

The other example of sympathetic response to anticipated preferences concerns the transfer of the Editor of the News Service, R.E. Coury, to the post of Public Relations Manager, also in mid-1972. Coury had been the Editor since the beginning of the expanded news service. Appointed on appeal against the original choice (C.T.C. Watson), he had taken up the post in March, 1961. Later that year he was responsible for the appointment of six journalists as a precursor to the progressive establishment of a fully-fledged service under the proposed Corporation. Coury had been a journalist with the Department of Tourist and Publicity, and throughout the 1950s had been a bulletin editor responsible for the compilation of the then nightly 9 o'clock radio news.

Importantly, however, he had also served as Press Secretary to the Labour Prime Minister, Walter Nash, during the 1957-60 term of the second Labour Government. According to Coury,⁵¹ on Labour's defeat in the 1960 General Election he had advised the incoming National Prime Minister, K.J. Holyoake, that he would be willing to continue working as Press Secretary, but wished to decline appointment in light of the pending broadcasting appeal, which he expected to win. Coury maintains that Holyoake later claimed that he (Coury) had declined to work for him because of his political allegiance to Labour. This association with a Labour Prime Minister may have created suspicion in the minds of Government members during the 1960s about Coury's impartiality, and by inference, about the impartiality of the N.Z.B.C. News Service in general.

51. Coury to writer, September 16, 1975.

Gilbert Stringer also had reservations. Soon after the inception of the Corporation, Coury felt obliged to write to Stringer that, "in almost 20 years since the war that I have been a public servant I have served governments of both political colours intimately, loyally and successfully in the fields of press work and public relations."⁵²

The Director-General's anxiety partly resulted from his deep distrust of journalists in general, and his own organisation's new reporters in particular. However, it also resulted from the fact that the Corporation's search for political autonomy in the 1960s was injected with a greater sensitivity than would have been the case had the establishment of the Corporation not coincided with the development of the news service. In short, Stringer was anxious because he knew that the Government was suspicious of Coury, or at least he believed that to be the case. Holyoake, for one, seems to have harboured such suspicions.

Sceats recalls that while acting in Stringer's absence during a Parliamentary debate one year on the broadcasting estimates, Holyoake told him that he (Holyoake) could terminate discussion on aspects of editorial control in the N.Z.B.C. by pointing out that the Editor of the News Service had been Nash's Press Secretary.⁵³ In Sceats' view, there was "probably a fair deal of truth" in the argument that the National Government remained sceptical about Coury's impartiality.⁵⁴ Certainly, Coury thought this to be the case;⁵⁵ and his successor as Editor, P.A. Fabian, had also heard on the "journalists' grapevine" that this was true.⁵⁶ Moreover, during a Parliamentary debate in 1968 on the Broadcasting Authority Bill, a future National cabinet minister alleged that "in the early days of television - when (it) was largely staffed with journalists, but I think under insufficient editorial control, a degree of irresponsibility was shown that no newspaper in this country has ever shown."⁵⁷

52. Memo from Editor, News Service, to Director-General, May 16, 1962.

53. Sceats to writer, May 21, 1976.

54. Ibid.

55. Coury to writer, September 16, 1975; also, October 8, 1975.

56. Fabian to writer, May 19, 1976.

57. D.J. Riddiford, N.Z.P.D., Vol. 357, p.2051.

The Government's doubts may also have been exacerbated when, in 1963, a £31,000 defamation action was filed against the N.Z.B.C. by a leading businessman, C.U. (now Sir Clifford) Plimmer.

The suit resulted from news regarding alleged comments by Plimmer on the South African apartheid system. The following year, and partly as a result of this episode, Stringer invited James Kemp, a senior news officer with the B.B.C., to come to New Zealand to examine and report on the operation of the N.Z.B.C.'s news service. Kemp recommended that the editorship should be established at the controller level: it would be "a position of great trust and the Editor would require to be a man of firm integrity, sound judgement and with a high sense of public duty."⁵⁸ According to Kemp, Coury's appointment by means of appeal had "played a major part in the lack of confidence in him evident on the part of the Directorate and it may have in fact affected his confidence in himself."⁵⁹

The report was critical of the news service, for organisational and operational reasons: "much of the apprehension I found among the Directorate and Administrative staff arises from some of the weaknesses of the existing service and sprang from sometimes relatively small, but important, matters over which the news staff had applied standards not in keeping with those laid down by, and implicit in, the Broadcasting Corporation Act of 1961."⁶⁰ The main result of the Kemp Report was that in February 1965, the B.B.C.'s Editor of Television News, Waldo Maguire, was seconded to the N.Z.B.C. to become its first Controller of News and Public Affairs. The secondment was for one year, at the end of which the B.B.C.'s News Editor for the Midland Region, Edward Parkinson, took up the position. The decision to establish the new post and to have it filled by persons from the B.B.C. reflected the Board's and Stringer's desire for better editorial control over news and current affairs programming.

58. N.Z.B.C.'s News Service: Report and Recommendations, by James Kemp of B.B.C., p. 13.

59. Ibid, p. 21.

60. Ibid, p. 3.

Of at least as much importance, however, was the consideration that by bringing to the new post men of demonstrated ability - B.B.C. men - the N.Z.B.C. would be able to allay any Parliamentary, and other, fears about the quality of leadership in its news service. Importantly, too, it would undermine any Government suspicion that the service was controlled by a man whose political allegiance was to the Opposition. (Coury's professional integrity or ability is certainly not questioned here. The important point is that the National Government, particularly perhaps the Prime Minister, harboured a belief that he was not fully impartial.)

The post of Controller of News and Public (later Current) Affairs was subsequently filled by J.L. Hartstonge following Parkinson's return to Britain. (Hartstonge, later Director-General of Radio New Zealand, was a career broadcaster, whose experience had been mainly in the fields of announcing, concerts, talks, and administration.) The post was disestablished in 1971 after Hartstonge had been made Regional Director (Central). Sceats has stated that, as Director-General, he wished to have more direct access to the news and current affairs sections than he had had while Hartstonge was Controller.⁶¹

The abolition of the Controller's post thus left the Editor, News, and the Editor, Current Affairs, responsible to the Director-General through an Executive Director (M.A. Rickard) accountable for programmes in general. In effect, with the abolition of the Controller's post, the status of the Editor, News (and of the Editor, Current Affairs), was enhanced. It could now appear to Government that Coury once again was fully responsible for the news service.

61. Sceats to writer, May 21, 1976.

Coury had become involved in a public controversy with the then Minister of Finance, R.D. Muldoon, in December, 1970. Muldoon let it be known that he had telephoned McKinnon in August 1970 to "say he had received a report to the effect that an Editor, or other official in the N.Z.B.C. news organisation, had issued instructions that news relating to Mr. Muldoon was not to be included in bulletins without reference to the Editor."⁶² Coury "categorically denied" the charge, maintaining that "no such instruction was ever issued to or by me."⁶³ According to Coury, what had occurred was that he had become concerned at the amount of broadcasting news coverage that Muldoon had been receiving. Much of it was speculation about Muldoon's political future and was not justified on the grounds of news value. At a meeting with his sub-editorial staff, Coury had made it clear that Muldoon's statements were to be dealt with strictly in accordance with their news value. Doubtful cases were to be referred to the Editor for decision.⁶⁴

It is possible that this incident helped cement the belief in the minds of some Government Members of Parliament that Coury's impartiality was suspect. Be that as it may, it was announced on May 19, 1972, that the Editor, News, and the Public Relations Manager would exchange positions. Making the announcement, Sceats stated that he had made the decision, as chief executive officer, "after due consultations."⁶⁵ Later, at its meeting of May 30, 1972, the Board "noted the arrangement made for an exchange of the holders of the positions of Editor, News and Public Relations Manager." It resolved that,

62. Reported in The Evening Post, December 10, 1970.

63. Reported in The Evening Post, December 12, 1970.

64. Coury to writer, October 8, 1975. The writer has sighted a memo from the Controller of News and Current Affairs to the Director-General in which the attendant sub-editors confirmed Coury's recollection of what was decided at the meeting.

65. Reported in The Dominion, May 19, 1972.

"the Board records with appreciation the conscientious manner in which Mr. Coury has discharged his duties as Editor of News since the establishment of that post 11 years ago. The Board is aware that this appointment is one of great sensitivity and responsibility and that these aspects have made Mr. Coury's duties more than normally onerous."⁶⁶

Significantly, in spite of Sceats' statement, Coury was told of the decision by the Chairman, not by the Director-General. This suggests that the Board, or at least the Chairman, may have prompted it. This was the impression gained by Coury.⁶⁷ He recalls that McKinnon told him that it was felt 11 years in such a demanding job was enough for anyone, and that he should take the Public Relations job as a break from his current duties. He understood that it was to be a temporary arrangement.⁶⁸ McKinnon recalls that the Board, together with Sceats and Rickard, felt that a "fresh mind" was needed in the Editor's job, and that because Coury had applied unsuccessfully for the Public Relations Manager's job two years earlier he might be persuaded to do a swap with the P.R. Manager, P.A. Fabian, who had formerly been Deputy Editor of the News Service. Neither Sceats nor Rickard were confident that they could persuade Coury, so McKinnon took the task upon himself. McKinnon states that Coury could have turned the suggestion down.⁶⁹ However, it is quite clear that the Chairman's move placed considerable pressure on Coury: it amounted to a vote of no confidence in him as Editor.

Prior to and at the time of the transfer expressed opposition to the proposed 1973 tour of New Zealand by a Springbok rugby team was at a high pitch. Coury had publicly denied that the N.Z.B.C. news service was biased in favour of those who opposed the tour.⁷⁰

66. N.Z.B.C. Board Minute, May 30, 1972.

67. Coury to writer, September 16, 1975.

68. Ibid.

69. McKinnon to writer, February 15, 1977.

70. Reported in The Evening Post, April 21, 1972.

His successor, Fabian, recalls that because opponents of the proposed tour were vocal while the New Zealand Rugby Union preferred to make little comment, the impression was created that news coverage was not balanced. Fabian, who was then Public Relations Manager, and thus in a position to gauge the attitude of Board members towards public controversies involving the N.Z.B.C., maintains that McKinnon and other members were concerned about this apparent problem of balance.⁷¹ So too, it may be argued, was the Government which, because of its stance of non-interference in sporting matters, was the butt of much anti-tour agitation, and which had an election to fight later that year.

Again, it is not possible to determine to what extent, if at all, there was active collusion between the Government and the N.Z.B.C. Board. What can be suggested, however, is that they both shared a distrust of the news service as it had operated under Coury's editorship. McKinnon, for example, had heard "rumours" that Coury was "not strong enough" to handle some of his staff whom, he (McKinnon) had been told were using their journalistic positions for purposes of political agitation. He had heard that the newsroom was "solidly against" the proposed tour. According to McKinnon, the necessary impartiality of the newsroom would have been just as seriously compromised had the journalists used their positions in support of the tour.⁷²

However, it cannot be concluded that the Board merely responded sympathetically to anticipated Government wishes in having Coury transferred and MacLeod dismissed. The Board's decisions may also be interpreted in less sinister terms. Principally, the Board was concerned with protecting what it saw to be the best interests of the N.Z.B.C.

71. Fabian to writer, May 19, 1976.

72. McKinnon to writer, February 15, 1977.

It must be remembered that 1972 was not only an election year, but it was also the year in which the warrant hearing for a second television channel was to be held. It was to be up to the Broadcasting Authority to hear the evidence and make a recommendation to Government as to who should be granted a licence to operate the new channel. (Ironically, the hearing was delayed by the MacLeod inquiry.)

McKinnon conceded at the MacLeod inquiry that "he could well have suggested that Mr. MacLeod not 'rock the boat' at that stage. The ability to be impartial and give balance was a cardinal point in the N.Z.B.C.'s case for the second channel."⁷³ He has remarked since that, "although we did not really want a second television channel we thought it would be catastrophic, financially, for the N.Z.B.C. if private enterprise got it." And, in view of the fact that Government made the final decision on the matter, "you would not go out of your way to clobber them - although we would not have pulled our punches on anything significant."⁷⁴

Sceats was of similar mind: "There's a recognition that if you want to gain something in which Government will make the final decision you'd be unwise wittingly to do anything which you couldn't justify to Government, but that didn't mean that you foresook your responsibilities as a public broadcasting system."⁷⁵ Thus, MacLeod and Coury were sacrificed to the N.Z.B.C.'s organisational interests: the former because he was directly antagonistic towards the Government, the latter because the Government's lack of confidence in him was considered to be an organisational handicap. MacLeod was dismissed, while Coury swapped jobs with Fabian whose journalistic career with the N.Z. Herald (before joining the N.Z.B.C. in the early 1960s) had, by his own admission, probably stamped him as a man in whom the Board, and the Government, would have more "confidence."⁷⁶

73. Reported in The Evening Post, September 14, 1972.

74. McKinnon to writer, May 12, 1976.

75. Sceats to writer, May 21, 1976.

76. Fabian to writer, May 19, 1976.

The two impulses, probably conveniently coincided: in protecting the N.Z.B.C.'s own interests the Board was also serving the Government's - at least that was the perception, if not the reality. In this way, too, the Board's own self-esteem was probably retained in tact. There was, above all, no response to "pressure". This is not explained simply by the existence of a tacit understanding between parties - the "wink is as good as a nod" syndrome. Rather, one's self respect is preserved because one is not necessarily aware of the assumptions on which one's actions are based. A mutual concern is shared with persons whom one "knows" to be correct, responsible, trustworthy, and right-thinking. It was the difference, critical in its effects, between seeing MacLeod as a provocative and stimulating editorial writer or as a dangerous political extremist. It was also the difference between seeing Coury as an editor genuinely trying to be fair in handling a difficult controversial debate, or as an editor too willing to give licence to "disruptive elements" in the community.

The distinction, drawn by Argyris and Schon,⁷⁷ between "espoused theory" and "theory-in-use" is of particular relevance to this argument. In their words, "When someone is asked how he would

behave under certain circumstances, the answer he usually gives is his espoused theory of action for that situation. This is the theory of action to which he gives allegiance and which, upon request, he communicates to others. However, the theory that actually governs his action is his theory-in-use which may or may not be compatible with his espoused theory; furthermore, the individual may or may not be aware of the incompatibility of the two theories."⁷⁸

In this case, the espoused theory may have posited that no unwarranted political considerations would have been permitted to influence the decisions of the individual Board members. Theory-in-use, however, may have "explained" MacLeod, and Coury, in

77. C. Argyris and D.A. Schon, Theory in Practice, op. cit. See also, the same authors, Organisational Learning, op. cit., and C. Argyris, "Theories of Action that Inhibit Individual Learning", American Psychologist, Vol. 39, 1976.

78. Argyris and Schon, Theory in Practice, op. cit., p. 7.

negative terms, thus prompting the respective actions by the members, who may not have perceived that these actions were, in part, politically motivated. The evidence in regard to the Board's attitudes towards news and current affairs programming - touched on in the last chapter and to be dealt with more fully in Chapters 14 and 15 - indicates that M.H. Halperin's concept of "shared images"⁷⁹ is useful in explaining the Board's behaviour. In this case, the "shared images" were essentially "establishment" views which tended to reflect impatience with, even intolerance of, dissenting minority opinion.

The events concerning MacLeod and Coury also illustrate the growing executive role that the Board had come to assume under McKinnon. In the MacLeod case, the future of the editorials was a legitimate policy decision. However, it is certainly arguable as to whether the decision to dismiss the Editor of the Listener should have been taken at Board level.

The Editor was responsible to the Director-General via the appropriate Executive Director, except on editorial policy matters. On these he was responsible direct to the chief executive officer. Certainly, the Act gave the Board the power to do what it did,⁸⁰ but the action was unprecedented and is indicative of the growing determination of the Board to extend its influence, if not control, over the on-going operations of the organisation. Similarly, with Coury. In that instance the Board implicitly acknowledged that it was an executive matter - "the Board noted the arrangement made for an exchange of the holders of the positions of Editor, News, and Public Relations Manager." Yet it was McKinnon who undertook to inform Coury of the move.

79. M.H. Halperin, Bureaucratic Politics and Foreign Policy, The Brookings Institution, 1974. Halperin does not define the term, but uses it throughout the book in the sense of the "belief system" on which are based one's assumptions and expectations concerning the behaviour of others, and by means of which one "understands" that behaviour.

80. Broadcasting Corporation Act 1961, Section 17(1): "The Corporation may from time to time appoint such officers and employees ... as it thinks necessary for the efficient exercise of its functions and powers and may from time to time remove any officer or employee from his office or employment."

There was another incident in 1972 which focused attention on the relationships between the Board, in particular the Chairman, and the Government. The Minister of Defence, A. McCready, criticised the N.Z.B.C.'s coverage of the Vietnam War, alleging that it was biased. This was strongly denied by McKinnon.⁸¹ Subsequently, McKinnon was angered by a Listener editorial by MacLeod, in which he claimed that a senior politician had "demanded and obtained" time on television so that an unedited (Government) viewpoint could be expressed on the Indochina situation.⁸² According to McKinnon, the Minister had made no such demand. However, because the N.Z.B.C. "always welcomed up-to-date news" McKinnon himself invited the Minister of Defence to appear on television "to give his first-hand view of events there (in Vietnam)".

In his words, "McCready did not want to go on. But there had been many attacks on us (the N.Z.B.C.) alleging that our coverage misrepresented the Vietnam situation, and we were getting irritated by this general criticism. I said to McCready 'put up someone who will give a factual discourse on Vietnam'. The Government did not ask for it, and we had some difficulty in persuading them to do it."⁸³

This episode could be taken to indicate a number of things. For example, that the N.Z.B.C. tacitly accepted the validity of the Minister's criticism; that the Board, while not necessarily agreeing with the Minister, was keen to avoid any appearance of bias in its coverage of the war and thought that an "official" appearance by the Government would overcome this difficulty; or that the Chairman's own military background and position as Chief of the General Staff at the time of New Zealand's commitment of forces to Vietnam coloured his views, perhaps making him less sensitive to the political and organisational implications of his decision to pursue McCready (see Chapter 14). Moreover, as with the MacLeod and Coury events, the N.Z.B.C. could again be seen to have acted in light of its own organisational interests. For McCready, as Muldoon had done two years earlier, tied his criticism of the

81. See report in The Evening Post, June 1, 1972.

82. McKinnon to writer, May 8, 1976. See N.Z. Listener editorial, June 26, 1972. McCready presented a lecture on the situation in Vietnam, in the midst of an evening television news programme.

83. McKinnon to writer, May 8, 1976.

N.Z.B.C. to the question of control of the proposed second channel.⁸⁴

Above all else, however, the incident illustrates that McKinnon himself was prepared and able to play an executive role in determining what was an operational programming decision. There were several reasons for the Chairman's growing executive function. There were the effects of the internal reorganisation; his own personality and background - a need to feel "in command" of the situation, to be shaping the course of events; and the Director-General was now a Board appointee and in constitutional terms was clearly subordinate to the Board. The tension that had earlier characterised relationships between the Chairman and the Director-General had dissipated in the face of a newly-found unity of corporate command. This is evidenced by McKinnon's statement that, "Seats kept me fully informed. If anything dramatic happened he would go straight along the passage to find out from my Secretary when I was going to be in."⁸⁵ It is indicated, too, by Adams-Schneider's remark that, "we had a pretty tight ship during his (McKinnon's) years as Chairman."⁸⁶

Relationships may have been more harmonious, but the price paid was a loss of manifest organisational independence. In short, the rather complex implications of governmental appointment of Board members were compounded by the Board's acquisition of an increasingly executive role in the N.Z.B.C.'s affairs. For this reason the theoretical distinction between "policy" and "administration", while inadequate as a means of specifically delineating organisational roles, nevertheless retains its value as a heuristic device which draws attention to the important distinction between the Board's task of defining the "public interest", and the chief executive's responsibility for protecting professional integrity and standards in day-to-day operations.

84. See evidence of McKinnon to the MacLeod inquiry, reported in The Evening Post, September 14, 1972.

85. McKinnon to writer, May 12, 1976.

86. Adams-Schneider to writer, June 9, 1976.

In light of the issues discussed in this chapter a strong case can be made for having the Board appointed in a manner that is, and is seen to be, independent of partisan political interests. For example, Stringer nursed an idea whereby computers would facilitate elections to regional advisory committees, which in turn would act as electoral colleges for regional corporations.⁸⁷ A method similar to that used in appointing education boards was proposed to the Parliamentary Select Committee on the Broadcasting Bill in 1976.⁸⁸ In brief, this entailed having four regional advisory committees which, at three-yearly intervals, would put forward nominations for Board membership. An election would then be held among all members of the advisory committees using a preferential voting system. The Government could reserve the right to appoint the Chairman from among the persons so elected. Alternatively, a mixed system of appointment could be adopted, with the Government reserving the right to name a specified number of members, not necessarily a majority.

If full governmental appointment is retained, however, then there should at least be a statutory provision to ensure that members represent a wide range of social background and community interests.⁸⁹ The desirability of this stems from the important distinction between party-political orientation and the political stance implicit in group decisions made by persons whose "shared images" encompass a partial and narrow societal view.

No method of appointment can prevent a government from trying to use political leverage of the type that Muldoon and McCready sought on the second channel question. But the means of appointment can affect the extent to which the Board is predisposed to equate what are partisan or implicit political perspectives with the broader public good.

87. Stringer to writer, July 13, 1976.

88. Submission by R.J. Gregory and J.L. Roberts to the Parliamentary Select Committee on Broadcasting, Wellington, November 3, 1976, pp. 4-5. See Appendix E for this part of the submission.

89. Such provisions were not, of course, included in the Broadcasting Corporation Act, 1961. Neither were they in the Broadcasting Act 1973, or the Broadcasting Act 1976. Both Acts provided that members be appointed by the Governor-General on the recommendation of the Minister.

CHAPTER ELEVEN: The N.Z.B.C. and the Problem of Ministerial Responsibility

At the outset two fundamental points must be made clear. Firstly, the principle that public broadcasting should be ultimately accountable to Parliament (as distinct from Government) is not disputed in this argument. Secondly, it is taken as axiomatic that, as fulfilled in the context of public ownership and control, the essential function of broadcasting - the preparation and presentation of programmes - must be free from partisan political direction or influence. As it carries out this function, the public broadcasting system must retain independence which, like that of the Courts, is not only real but manifest.

With these two points in mind, it becomes clear that the main problem revolves around the ministerial imperative of matching responsibility with power. It is not just that having a minister of broadcasting means that he should be given something to do. It is also that his very existence - the status implicit in a ministerial portfolio - preserves a public belief that the Minister is, in fact, responsible for the daily activities, including programme-making, of the broadcasting organisation. Especially in the early 1960s this belief was reinforced by the 26-year history of departmental control that preceded the creation of the N.Z.B.C. Moreover, constitutional arguments as to the merits of corporation as against departmental control hardly interest the public more than the quality and extent of the service provided; and in a political culture which emphasises egalitarianism and a central role for the State in promoting it, the propensity for citizens to turn to the Government to redress grievances enhances pressures on cabinet ministers. Under these conditions, it is understandable that a minister of broadcasting should try either to make it clear where his responsibilities begin and end or to exert greater influence over broadcasting activities.

The first Minister of Broadcasting under the 1961 legislation, A.E. Kinsella, sought to do the former, particularly in respect of Parliamentary questions. This issue had considerable bearing on the N.Z.B.C.'s search for autonomy.

The Corporation remained ultimately responsible to Parliament for its activities. The licence-holders were, in effect, taxpayers and the Parliamentarians were their representatives. Parliament, it was envisaged, would have ample opportunity for examining the N.Z.B.C.'s activities: by Notice of Motion, by debate on the Corporation's Annual Report, and on its annual estimates.¹ But Parliamentarians, in turn subject to their constituents' complaints and demands about broadcasting, inevitably turned to the Minister - by way of question time in the House - in an effort to care for, and be seen to care for, the interests of their electors.

Kinsella felt these pressures acutely. In the first Parliamentary session after the Corporation had been established, he declined to reply to the first question put to him (by a new back-bencher, the Member for Tamaki, R.D. Muldoon) regarding an aspect of day-to-day N.Z.B.C. administration - the provision of television reception in an Auckland locality.² The Minister was supported by the Speaker who found that

"the matters which are the subject of this question are not the responsibility of the Minister. They have nothing to do with him. They are solely the responsibility of the Corporation."³

Members, however, including the Opposition, were not satisfied, and the impasse was resolved by an arrangement between the Minister and the Corporation - retained by later ministers - whereby the N.Z.B.C. provided the Minister with information with which to answer Parliamentary questions. It was made clear in the Minister's replies to Members that the particular matters were the Corporation's and not the Minister's responsibility: his role was to act as an information link between the N.Z.B.C. and Parliament.⁴ Such an arrangement protected the letter rather than the spirit of the constitutional relationship between Minister and Corporation. Kinsella recalls that while he had

1. N.Z.P.D., Vol. 330, p. 993.

2. N.Z.P.D., Vol. 330, p. 63.

3. N.Z.P.D., Vol. 330, p. 1004.

4. Kinsella to writer, May 18, 1976.

considered it to be a "reasonable arrangement", the N.Z.B.C. - in particular, Stringer - had believed it unwarranted that questions should be asked in the House about its affairs.⁵ Nevertheless, in Kinsella's view, the arrangement worked out well through the cooperation between the Minister and the Director-General: "I received from the N.Z.B.C. all the information I required."⁶ This information was either given in the House in response to questions, or supplied to inquirers by the Minister's office. In addition, in his role as "intermediary", the Minister would arrange meetings between inquiring parties and the N.Z.B.C. itself (usually the Director-General), and would refer complaints to the N.Z.B.C. for direct reply. Pains were taken to indicate in ministerial responses that the Minister was not responsible for the day-to-day activities of the Corporation and that his reply was reliant on information supplied to him by the Director-General. This practice, while in itself reasonably respectful of constitutional niceties, did not enhance the organisation's manifest autonomy, so necessary for the promotion of public confidence in broadcasting's political independence.

It has been suggested that the independence of governmental bodies may be assessed by the extent to which questions may be asked by the relevant Minister about the day-to-day activities of the organisation.⁷ According to this criterion, the N.Z.B.C. was less independent than its departmental predecessor had been. In the 11 years 1962-1972, respective Ministers of Broadcasting replied to an average of 37 Parliamentary questions a year, on matters of both broad policy and detailed administration. (For example, the Minister was once asked if steps had been taken to avoid a delay in the radio commentary on the Grand National Steeplechase in view of an earlier delay in the commentary

5. Ibid.

6. Ibid.

7. See D.N. Chester, "Public Corporations and the Classification of Administrative Bodies", in Political Studies, Vol. 1, 1953, pp. 34-52.

on the Great Northern.⁸⁾ This compared with an average of 14 for the preceding 11 years of full departmental administration. Although the increase was undoubtedly due to the introduction and expansion of television during the 1960s, the fact remains that the Minister was obliged to answer.

That particular assessment of independence notwithstanding, the arrangement still left the Minister without the power to exert daily control over the Corporation's affairs, yet it also reinforced the expectation that the Minister was, and should be, responsible for them. Kinsella recalls that he had no power to make the N.Z.B.C. respond to criticism that he thought was soundly based: "I carried the can."⁹ Scott, too, experienced a similar deficiency of power in relation to expected responsibility, and, as a result, sought ways of bridging the gap. These have been discussed in previous chapters.

In general terms, however, the operational mode was one of influence through face-to-face discussion. Kinsella, for example, recalls that when there was

"manifestly something that I thought better be brought up, I invariably referred it directly to the Chairman and asked him if he would take appropriate action."¹⁰

Such instances were usually those involving a spate of public complaints. They would also be discussed with the Director-General. But, according to Kinsella, "it was not direction, just normal discussion."¹¹ Such discussions characterised the relationships between the N.Z.B.C. and Kinsella's three successors. For example, in reply to a question on the broadcast coverage of local body elections in 1968, Adams-Schneider responded that

"the extent of local body election coverage is a programme matter under the control of the corporation. I have discussed the coverage ... with the Director-General."

8. N.Z.P.D., Vol. 335, p. 1015.

9. Kinsella to writer, May 18, 1976.

10. Ibid.

11. Ibid.

Further, he would be happy to arrange for the Leader of the Opposition to meet the Director-General to discuss the matter.¹² Similarly, Walker in 1970 replied that,

"every letter of complaint that I receive as Minister I discuss personally with the Chairman or the Director-General, but I do not direct either of them. I, as Minister, like to know what is going on in my department."¹³

Scott used to invite Board members to drinks the night before their meetings.¹⁴

In light of the public - and collegial - pressures to which Ministers themselves were subjected, such interaction between the Minister and the N.Z.B.C. was fully understandable. Yet it meant that the Minister was in a position to influence programme matters - that is, matters which according to the principal raison d'être of the Corporation should have been beyond his sphere of influence. In this way the de jure independence of the N.Z.B.C. was undermined by the proximate relationship that developed between the Minister and the heads of the N.Z.B.C. For example, Adams-Schneider commented publicly in regard to the censorship of television programmes, that he could "use his influence in a broad field."¹⁵ On another occasion, after having written to the N.Z.B.C. suggesting that it might prepare and screen a television programme dealing with the Broadcasting Authority Bill then before Parliament, he remarked: "I believe it's only necessary to indicate what the Government view is."¹⁶ His successor, Walker, in 1971 explained to Parliament that,

"At about 6.30 p.m. on Sunday, August 29, I advised the Chairman of the N.Z.B.C. ... that a settlement had been reached in the container dispute and that the Minister of Labour would be available to appear on the 7 p.m. television news if required. The decision was one for the N.Z.B.C. ... This was an exceptional circumstance in which time was pressing."¹⁷

12. Adams-Schneider to writer, June 3, 1976.

13. N.Z.P.D., Vol. 366, p. 1194.

14. Scott to writer, May 10, 1976.

15. Reported in The Evening Post, August 4, 1969.

16. Reported in the N.Z. Listener, November 29, 1968.

17. N.Z.P.D., Vol. 374, p. 2977.

It goes without saying that the possibility of some political advantage being secured in this way runs entirely counter to the spirit of independent and impartial public broadcasting. As McFarlane has commented in regard to the Board's relationship with Scott,

"We had full sympathy with the Minister and we knew that he wanted us to be independent; but we also knew that he was subject to strong constraints which conflicted with our independence. But we never felt that there was anything sinister in it."¹⁸

Sinister or not, the establishment of this proximate relationship did nothing to "educate" the public to the effect that the Government was, in terms of the Act, no longer responsible for the day-to-day operations of the N.Z.B.C. It also - as will be discussed further in Part Three - helped to foster suspicion in the minds of some sections of the Corporation's staff (principally those in news and current affairs) that there were sinister implications in the relationship between the Government and the N.Z.B.C.'s top administrators.

If there is a Minister of Broadcasting, there must be persons available with sufficient professional expertise and experience to advise the Minister. It was this constitutional fact of life - as well as the de facto imperative to bridge the gap between power and responsibility - that both required and encouraged the development of the proximate relationship. The Broadcasting Corporation Act 1961 made it a function of "the Corporation" to advise the Minister "in respect of matters relating to broadcasting."¹⁹ As indicated in Chapter 7, particularly during Scott's term the question of who should advise the Minister - the Board or the Director-General, or both - became entangled with the power struggle within the triumverate. As shown, however, early in Adams-Schneider's term these difficulties had largely been settled. Nevertheless, it was during this more stable period - even because of its stability - that further problems associated with the administration of the portfolio developed.

18. McFarlane to writer, May 14, 1976.

19. Broadcasting Corporation Act 1961, Section 10(1)(d).

Stringer and Adams-Schneider enjoyed a harmonious working relationship. The Minister understood Stringer's "balance of powers" concept, and had provided statutory protection for his tenure when the Act was amended to give the power of appointment of the Director-General to the Board. He regarded Stringer as

"the best adviser I ever had on broadcasting: a very able and strong-minded man, a man who understood the principle of ministerial responsibility but who held in balance his own responsibilities to the Minister, the Board and his staff."²⁰

For his part, Stringer was acutely aware that if a Minister needs departmental advisers those advisers may also need a Minister. During Adams-Schneider's term the N.Z.B.C. was still heavily involved in its capital development programme. The Minister was the Corporation's "life-line" to cabinet, whose Cabinet Works committee had the power of approval or veto over those N.Z.B.C. developmental proposals costing more than \$50,000 (later \$100,000). According to Stringer,

"the N.Z.B.C. was playing for big stakes with the Minister. It was necessary to have his support when the proposals went to cabinet works committee."²¹

One way of gaining such support was a quid pro quo whereby the Minister would make the public announcements of capital development projects approved by the committee.²² This suited Adams-Schneider who, as a junior and up-and-coming Minister, was (in Stringer's words) "avid for publicity."²³ (Broadcasting, by its very nature is a highly visible field of public administration: as a mass medium of entertainment and information—not to mention education—it excites more comment and opinion than many other policy-making areas. This gives a Minister of Broadcasting a reservoir of public attention which - should he be skilful enough - he can tap in his efforts to present himself and his Government in the best possible light.)

20. Adams-Schneider to writer, June 3, 1976.

21. Stringer to writer, September 30, 1975.

22. For example, see The Evening Post, September 5, 1968; The Evening Post, October 3, 1969; The Auckland Star, July 22, 1969; the N.Z. Herald, July 24, 1969.

23. Stringer to writer, September 30, 1975.

Again, the difficulty was, however, that Adams-Schneider's desire for publicity, and Stringer's willingness to give it to him, did not enhance the manifest autonomy of the Corporation. The Minister's announcements, it can be argued, reinforced the N.Z.B.C.'s departmental image.

This quid pro quo had not been nearly so pronounced during Kinsella's or Scott's terms of office, when (as an examination of N.Z.B.C. news releases indicates) public announcements on capital development projects were generally made - with some exceptions - by the Director-General and not the Minister. But nor were Adams-Schneider's public statements confined to capital development matters. The Minister also acted on several occasions (particularly in the General Election year of 1969) as a "public relations" man for N.Z.B.C. policies in general - including those concerning programmes.²⁴

Stringer had something of an ambivalent attitude towards his Ministers when it came to seeking governmental approval for the N.Z.B.C.'s capital development proposals. On the one hand, he would try to circumvent them wherever possible - as Scott, in particular, has testified (see chapter 6). On the other hand, as with Adams-Schneider, he was prepared to enter into a quid pro quo. The difference in his attitudes towards these two probably reflected - and also contributed to - the changed circumstances of his relations both with them and the Board, as shown in chapter 7. However, there were difficulties, even during Adams-Schneider's term. As Stringer recalls:

"In getting cabinet works Committee approvals it wasn't all plain sailing. It involved maneuvering, and timing. Many approvals that were received for Avalon (the N.Z.B.C.'s planned television studio complex in the Hutt Valley) were sought when Muldoon (the Minister of Finance) was out of the country. I didn't have much show of getting them when he was in. But, of course, you don't buy friends that way."²⁵

24. See, for example, an address to the Hamilton East Jaycee chapter, reported in The Evening Post, 17/2/1969; an address to a National Party gathering in Hamilton, reported in The Evening Post, 4/8/1969; a speech to the Chamber Music Federation of New Zealand, reported in The Evening Post, 12/4/1969; a speech to an electronics convention in Auckland, reported in the New Zealand Herald, 21/8/1968; and an address to the Otago Branch of the New Zealand Overseas League, reported in The Evening Post, 25/3/1969.

25. Stringer to writer, September 30, 1975.

By pursuing similar tactics Stringer had not bought a friend in Scott's case, either, with the upshot that the Minister had moved to circumscribe the Director-General's freedom of action. In the case of Adams-Schneider, the "price" of cooperation with the Minister had been a preparedness to trade-off the N.Z.B.C.'s manifest - and consequently its real - independence. Stringer's ambivalence is also indicated by his concern that the respective ministers of broadcasting were too lowly ranked in cabinet. Because of this it was usually necessary to "do a deal" with the Minister in order to help him push the proposals through the various cabinet committees, and sometimes through caucus and cabinet. In Stringer's view, the relatively low rankings of the Minister did not assist in the search for organisational autonomy.²⁶ (Kinsella in 1961 was ranked 15th of 15; in 1963 he was 14th of 17; Scott in 1964 was 16th of 16; Adams-Schneider in 1967 was 16th of 17; and Walker in 1970 was 17th of 17. Prior to the establishment of the N.Z.B.C., Labour's Minister in Charge, Boord, was 15th of 16; National's Algie was 5th of 16; Labour's Jones was 6th of 15; and in 1936 the first Minister in Charge of Broadcasting was the Prime Minister, Savage). This question is clearly open to debate and no definitive answer seems possible. Whether autonomy is enhanced or diminished by a higher cabinet ranking must in the final analysis depend on the power configurations in cabinet, and caucus, and on the personalities and capabilities of the individual Ministers. On the one hand a stronger, higher-ranked Minister might be able to exert more pressure on the organisation; on the other hand, he might be better able to resist such pressures from his colleagues and others. The converse, of course, may also apply. Nevertheless, the experience of the N.Z.B.C. may indeed suggest, if by no means confirm, that - perhaps paradoxically - a higher-ranking Minister may be a factor in enhancing independence. (The N.Z.B.S.'s experience with the 5th-ranked R.M. Algie during the 1950s - see chapter 4 - may also lend support to this argument.) The reasons for this may be partly indirect: principally the fact that the higher the ranking the more likely it is that the Minister will also have more important responsibilities and thus less time to devote to

26. Stringer to writer, September 30, 1975.

broadcasting affairs. Conversely - and the example of Adams-Schneider is particularly pertinent - a lower-ranking may mean that the portfolio of broadcasting is the responsibility of a younger, up-and-coming Minister who is inclined to seek an intense involvement. (Or, it may mean that it is the responsibility of a less capable Minister whose inept involvement creates problems.)

A critical issue bearing upon the role of the Minister of Broadcasting was the extent to which, in a small dependent economy, a multi-million dollar corporation like the N.Z.B.C. could expect to be exempt from the general economic policies of the Government. This was an especially pertinent question in light of the £7½ m. capital development programme of the N.Z.B.C., with its particular consequences for the manufacture and marketing of television sets, and for the expenditure of overseas funds. As shown in Chapter 5, these considerations had delayed the introduction of television into New Zealand in the first place. Moreover, the N.Z.B.C. not only had to give an undertaking to Government that television expansion could be financed from the Corporation's own revenue surpluses (as pointed out in chapter 5), but its empowering Act was also given a leavening of provisions designed to ensure that Government retained a good measure of control over the economic implications of the N.Z.B.C.'s policies.²⁷ The principal "catch-all" provision was Section 11 of the Act which stipulated that,

"in the exercise of its functions and powers ... the Corporation shall comply with the general policy of the Government of New Zealand with respect to broadcasting and shall comply with any general or special directions given in writing by the Minister pursuant to the policy of the Government in relation thereto."²⁸

This provision is typical of those found in the enabling Acts of New Zealand public corporations.²⁹ However, in 1965, Scott

27. See Broadcasting Corporation Act 1961, Part II.

28. Broadcasting Corporation Act 1961, Section 11.

29. See Irene A. Webley, op. cit.

was quoted in the House as saying he had no power to direct the Corporation in writing other than on programme matters.³⁰ This brought a retort from the Leader of the Opposition that "the very powers the Government said it was not seeking are those it has acquired."³¹ This discovery had been made when Kinsella invoked Section 11 in the early days of the N.Z.B.C.'s existence in an attempt to resolve a dispute between the Corporation and the Post Office on the payment of fees for the checking of radio interference. But a Crown Law opinion had it that the wording of Section 11 limited the Government's power of direction "to merely the technical aspects of broadcasting ... throwing a voice and showing a picture."³² A 1967 amendment removed the words "with respect to broadcasting" and required the Corporation to comply with written ministerial directions "pursuant to the policy of the Government in relation to the functions and powers of the Corporation."³³ Importantly, the amendment also required a copy of any such ministerial directive to be laid before Parliament.³⁴ The clear effect of this was to make any such directive publicly visible.

Section 11 was invoked only once more, up until the end of 1972 - to request from the Corporation a report on the dismissal of the Editor of the N.Z. Listener. Undoubtedly, while it gave the Government the power to direct the N.Z.B.C. on virtually any broadcasting matter, the political costs of invoking it were likely to be high.

More importantly, however, the real effect of Section 11 was to discourage overt political direction and to encourage the exercise of ministerial influence over the Corporation's affairs.

30. N.Z.P.D., Vol. 344, p. 2571.

31. N.Z.P.D., Vol. 344, p. 2575.

32. N.Z.P.D., Vol. 354, p. 4394.

33. Broadcasting Corporation Amendment Act 1967, Section 3. The following year, the Broadcasting Corporation Amendment Act 1968 rearranged the wording of Section 11(1) as follows: "In the exercise of its functions and powers under this Act the Corporation shall comply with the general policy of the Government in relation to the functions and powers of the Corporation, and shall comply with any general or special directions given by the Minister to the Corporation by notice in writing pursuant to the policy of the Government in relation to those functions and powers."

34. Broadcasting Corporation Amendment Act 1967, Section 3.

This is illustrated by a set of events which occurred in 1968 when the Board decided to change the N.Z.B.C.'s policy on the advertising of liquor.

On March 19, 1968, the Board authorised acceptance of radio and television advertisements promoting alcoholic liquors "on the understanding that restrictions will be rigidly applied."³⁵ The restrictions, adopted by the Board at its next meeting were: that commercial material would not be accepted which

"(1) promotes the general consumption of any type or types of alcoholic liquor. Liquor advertisements are restricted to a brand preference approach; (2) suggests that alcoholic beverages possess medicinal properties or are beneficial to health; (3) suggests that the consumption of alcohol is an essential part of social relations (for example, material which indicates that drinking is indispensable to romance, maturity, sophistication, prestige, success or enjoyment); (4) includes participants who appear or sound to be under the age of 21 years."

In addition, no advertisement relating to alcoholic beverages was to be transmitted between 3.30 and 8.00 p.m. in the "immediate proximity" of any programme specifically directed to children or adolescents. Nor would alcoholic liquors be advertised in time check or 5-second slogan commercials.³⁶

There was a public reaction after The Dominion of May 29, 1968, reported that,

"The New Zealand Broadcasting Corporation will accept liquor advertisements for radio and television from June 3. ... the advertisements would be subject to certain restrictions. They will not be placed between 3.30 p.m. and 8.00 p.m. or during children's programmes."

Adams-Schneider received "some 300 or 400" letters of protest against the N.Z.B.C.'s new policy,³⁷ and the matter quickly became a party political issue. The Leader of the Opposition declared that liquor advertising on radio and television was "strongly opposed by the Parliamentary Labour Party."³⁸

35. N.Z.B.C. Board Minute, March 19, 1968.

36. N.Z.B.C. Board Minute, April 24, 1968.

37. N.Z.P.D., Vol. 358, p. 3148.

38. Reported in The Auckland Star, June 22, 1968.

The Chairman of the N.Z.B.C., C.A. McFarlane, argued that the Corporation's decision to allow restricted liquor advertising followed public acceptance of the extension of facilities for liquor consumption. He pointed out that the vote for national prohibition had declined steadily, the number of licensing areas had increased, licensed restaurants had been introduced and enjoyed strong support, and the referendum for extended hours had been carried in 1967 with a 64% vote in favour.³⁹ "In this changed context," said McFarlane, "the N.Z.B.C. policy of total prohibition stamped the body as ultra-conservative and stubborn in its refusal to reflect changes in public attitudes."⁴⁰ The Minister - himself reported as being "a life-long teetotaler who has vigorously opposed most legislation aimed at liberalising New Zealand's liquor laws"⁴¹ - was under pressure to act. He wrote to McFarlane that,

"the Corporation may find it desirable to reassess the situation before finally engaging in contractual responsibilities for such type of advertising. Perhaps you could arrange for the subject to be discussed again with the members and let me know the result in due course."⁴²

Publicly, the Minister argued that it was

"a clear case of the N.Z.B.C. being obliged to be aware of and take heed of the general policy of the Government of New Zealand. I have indicated that the policy of the Government is not to support such advertising and I am prepared to leave it at that."⁴³

At its next meeting, the Board decided to review its policy in light of the advice from the Minister and of "the large number of objections received from organisations and individuals including the Leader of the Opposition."⁴⁴ It was decided to

39. Reported in The Evening Post, June 22, 1968.

40. Reported in The Auckland Star, June 22, 1968.

41. Reported in The Auckland Star, September 7, 1967.

42. Letter from Adams-Schneider to McFarlane, quoted in The Evening Post, June 28, 1968.

43. N.Z.P.D., Vol. 355, p. 579.

44. N.Z.B.C. Board Minute, July 18, 1968. The Board noted that, "during the discussion which took place the point was made that it was difficult to define exactly what constituted liquor advertising and because of this the Corporation's intentions might have been misinterpreted by the public ... no objections had been received to any of the actual advertisements broadcast to date."

defer the implementation of liquor advertising on television.⁴⁵
 It rescinded its resolution of March 1968, and resolved to accept the following as a statement of Corporation policy:

"The Corporation will not accept commercial material which directly or by implication is designed to promote the general consumption of particular types or brands of alcoholic beverages. Advertisements will be limited to the name of the business, its address, the hours it is open to the public and the type of service it provides. No advertisements of this type may be associated with children's programmes or directed specifically to youth."⁴⁶

The two principal changes in the Corporation's policy involved the decision to defer the introduction of liquor advertising on television, and the decision not to accept advertisements promoting the consumption of particular brands of liquor. The Board, however, did not revert to the status quo ante. Adams-Schneider has recalled that McFarlane told him that the Corporation was not prepared to change its attitude completely, without written direction, but "would be prepared to compromise."⁴⁷

According to the Minister, the Government had no wish to "set a precedent" by issuing a written direction to the Corporation over the question of liquor advertising.⁴⁸ But Section 11 was

45. Ibid.

46. Ibid.

47. N.Z.P.D., Vol. 406, pp. 3044-5. At its meeting on August 20, 1968, the Board adopted the following policy: "The Corporation will not accept material which directly or by implication is designed to promote the general consumption of particular types or brands of alcoholic beverages. Advertisements for alcohol are acceptable only from advertisers purveying direct to the public and must relate to specific points of sale. The content of such advertisements will be restricted to the name and address of the business concerned, its hours of trading and the services and products it provides. References to uses associated with liquor may be made in advertisements for such products as aerated waters, cordials, glasses etc and mention of the availability of alcoholic refreshments may be made in advertisements for airlines, shipping lines, race meetings, social functions etc. No advertisements of this type may be associated with children's programmes or directed specifically to youth." - N.Z.B.C. Board Minute, August 20, 1968.

48. Adams-Schneider to writer, June 3, 1976.

clearly interpreted by the Minister as enabling the Government, with full legitimation, to influence N.Z.B.C. policy (and not just capital development policy). In his view, Section 11 enabled the Government "to exercise its authority on the taxpayers' behalf."⁴⁹ Not only did this interpretation disregard the fact that the N.Z.B.C. was financially self-sufficient,⁵⁰ but - more importantly - as there can be no authority without responsibility, Section 11 could be interpreted as rendering the Government responsible for the N.Z.B.C.'s activities. Hence, if the Government were to be responsible for the N.Z.B.C.'s actions, then the N.Z.B.C. in turn would need to be responsible to Government. (As noted in the previous chapter, Adams-Schneider had argued to McKinnon that the N.Z.B.C. was accountable to Government, rather than to Parliament.) Section 11, under this interpretation had the effect of transforming the Corporation into a government department subject to the theory of ministerial responsibility. In Adams-Schneider's own words,

"my feeling was that the public like someone to be finally responsible, and it's desirable that that person be an elected representative of the people, who happens to be the Minister of Broadcasting. I did feel that I should be informed about things, and from time to time I exercised my judgement in discussing matters mainly with the Director-General, if I found a pattern of representation (from people with complaints). That is what I have always called having an influence on broadcasting, which I think is properly the Minister's role. This is distinct from controlling it."⁵¹

This is very close to the erroneous view put forward by Labour's Postmaster-General in 1936 (see footnote 24, Chapter 1), in which Government was confused with Parliament. The principal justification for having the public broadcasting service run by a public corporation is to divest the Government of direct control

49. Adams-Schneider to writer, June 3, 1976.

50. See, for example, G.H. Stringer, "N.Z.B.C. Earns £7.2 million - And More Than Pays Its Way", in N.Z. Economist and Taxpayer, Vol. 27, 6, September 1, 1965, pp. 10-14.

51. Adams-Schneider to writer, June 3, 1976.

while retaining accountability to Parliament. The policy-making functions of the Minister become the responsibility of the Board, which in turn remains ultimately accountable not only to Parliament, through a Minister (who may or may not be a Minister of Broadcasting as such), but also directly to the public at large. The Minister is not, however, responsible for the actions of the organisation, nor can he rightly claim to be able to exert an influence over it. For as shown in the example of the N.Z.B.C.'s policy on liquor advertising, the line between "influence" and "control" may be a very fine one indeed. The case for ensuring that the N.Z.B.C. kept in line with the general economic policy of the Government was compelling; but, even here, Section 11 should have been interpreted (or rewritten) as a safeguard measure in case the N.Z.B.C. acted irresponsibly in this direction. (It is pertinent to note here three prominent points of view in regard to the relationship between a minister and the board of a statutory public corporation. A.H. Hanson argues that "The Minister may choose to be anything from a cipher to an absolute autocrat"⁵² and he notes the similarities between a minister's relationships with a department and with a public corporation. W.A. Robson, however, is opposed to the idea that the relationships should be similar, and in particular argues that the Minister must avoid undermining the board's sense of responsibility.⁵³ The view taken in this thesis has been well expressed by the Pilkington Committee which reviewed the operations of the B.B.C. and I.T.A. in the early 1960s:

"the two public corporations have each in turn been constituted, 'to act as Trustee for the national interest in Broadcasting'. Effective trusteeship requires that each must be invested with the full and effective authority required to match the great scale of its responsibilities, that each must be answerable for the discharge of the trust confided in it, and that each must be independent, not only by being free from intervention by the Government, but also by being able and willing to resist any pressures which would, if yielded to, be inimical to good broadcasting."⁵⁴

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52. A.H. Hanson, Nationalisation, Allen and Unwin, 1963, p. 282.
53. W.A. Robson, Nationalised Industry and Public Ownership, 2nd. ed., Allen and Unwin, 1962, p. 147.
54. Quoted in A. Smith, British Broadcasting, op. cit., p. 118.

As it was, Section 11 did not ensure that the Government's "influence" or "control" over the N.Z.B.C. would be confined to written directives which would be available for Parliamentary scrutiny. Rather, it allowed the Government to convey to the N.Z.B.C. its wishes on any particular matter (without the need to put them in writing) in the expectation that the N.Z.B.C. - as required by the provision - would comply accordingly. Section 11, in fact, offered respectability - even legitimacy - to "pressures along the fringe ... such as a friendly word at a cocktail party or a casual reference in a 'phone call about nothing in particular."⁵⁵ It thus reinforced, and exacerbated the dangers of, the proximate relationship that developed between the Minister and the N.Z.B.C. In this case, the Board was able to preserve a measure of independence, while the Minister could rightly claim that he had been able to "rectify" a matter of public concern. The essence of the situation was captured in a letter from McFarlane to Adams-Schneider at the time of the former's retirement from the Chairman's job:

"May I express my own warm appreciation of the part you have played in maintaining a happy relationship between Minister and Corporation, but more particularly in the personal sense have I valued the many interesting and frank discussions which we ourselves have had. I am sure that this enabled us to direct our respective courses in such a way as to reconcile effective ministerial oversight with respectable independence for the Corporation."⁵⁶

The danger with such "trade-offs" being struck on the basis of Section 11 was that they could have been applied in areas of even greater political sensitivity - particularly news and current affairs programming. For example, in December, 1968, Adams-Schneider wrote to the N.Z.B.C. that it was "the Government's wish" that the subject of the proposed Broadcasting Authority be "discussed in public as fully as possible." He asked the Corporation to "consider arranging a television programme on this subject while the debate is in progress."⁵⁷ The N.Z.B.C. screened

55. Holcroft, Reluctant Editor, op. cit., p. 190.

56. Letter from McFarlane to Adams-Schneider, January 29, 1969.

57. Reported in The Dominion, November 13, 1968.

a "Compass" programme on the subject - featuring the Minister - the very next night, an action which prompted The Evening Post to charge that the N.Z.B.C.'s independence was "more hopeful than factual".⁵⁸ Was this another case of indicating Government policy in relation to broadcasting? Whatever the case, the Minister could claim (as Walker had done in the container dispute example mentioned earlier in this chapter) that the final decision was the N.Z.B.C.'s. Thus, the Minister could have the best of both worlds: he could exert influence without having to accept responsibility.

The problem was this: either the Minister should have carried full ministerial responsibility for the activities of the Corporation, or none at all. Either he should have had full authority over N.Z.B.C. policy, or none at all. The "half-way-house" situation that was inherent in the Act, and which Adams-Schneider so skillfully exploited had a pernicious effect on the real and manifest political independence of the N.Z.B.C. This was not only because of the imperative to match expected responsibility with actual power or influence, or because of the effects of Section 11. It was also because the very existence of the broadcasting portfolio attracted fire, with the Minister providing a ready target for his political opponents. Consequently, the N.Z.B.C. became the meat in the political sandwich, subject to attack from all sides as considerations of political advantage dictated. In particular, the principle of political independence itself became a vehicle of political opportunism. For example, the Leader of the Opposition, N.E. Kirk, could criticise the Minister of Broadcasting during the liquor advertising controversy for not taking earlier action "instead of indulging in a lot of silly nonsense about interference."⁵⁹ On another issue, however, he could assert that "Government intervention [in broadcasting]

58. Editorial in The Evening Post, November 13, 1968.

59. Reported in The Evening Post, June 29, 1968.

is absolutely indefensible and repugnant in a free society."⁶⁰ He could refer to the "era of a subservient chin-dripping N.Z.B.C."⁶¹ and elsewhere he could allege that the N.Z.B.C. was "almost tail-wagging in its desire to please"⁶² Government. On another occasion, an Opposition M.P., in expressing his anger over the N.Z.B.C.'s policy on the pronunciation of Maori place-names could urge that "the Minister [of Broadcasting] should have the policy re-examined to ensure correct pronunciation ... by the N.Z.B.C., as in the past."⁶³

This experience has led both Stringer and Sceats to reflect upon the difference between running the public broadcasting service as a statutory corporation and as a government department. According to the former,

"a permanent head has at least 50 percent of M.P.s behind him. The N.Z.B.C. had no guaranteed supporters in Parliament. They were all out after the Corporation. That was the weakness of it."⁶⁴

Sceats has expressed similar sentiments, and in so doing has pointed to the inherent problem of the proximate relationship between Minister and Director-General. In his view it is easier to run broadcasting when there is a Minister in charge, because in the Minister the chief executive has an ally:

"But the chief executive of a corporation can have no (political) friends unless he behaves in such a manner that doesn't make enemies. As far as I'm concerned, it would come as a terrible surprise to me if I were not regarded as being on good terms with all the respective Ministers of Broadcasting."⁶⁵

It is a tenuous symbiosis, however. The Minister needs advice and is dependent on the Board and/or the Director-General, who are bound by statute to give it. They in turn need the support of a Minister in seeking the necessary wherewithal from Government, and when subject to attack from the Government's political opponents.

60. Reported in The Press, October 3, 1966.

61. Reported in The Dominion, March 28, 1972.

62. Reported in The Dominion, November 12, 1968.

63. M. Rata, in N.Z.P.D., Vol. 351, p. 1493.

64. Stringer to writer, July 13, 1976.

65. Sceats to writer, May 21, 1976.

Yet they may very well end up without that support, as the Minister seeks to exert influence while - quite correctly in constitutional terms - denying responsibility. The administration may, however, be effectively denied the opportunity of acting independently of the Minister. This point clearly troubled the Board of the N.Z.B.C. during McFarlane's term as Chairman. He observed that,

"the Act appears to have been designed to perpetuate the essential form of the previous departmental structure with as little disturbance as possible from the statutory committee designated 'the Corporation'."66

Commenting on the existence of the broadcasting portfolio, he noted that the necessary role of the Corporation as ministerial adviser placed that body in a "staff" relationship to the Minister: "The advisor becomes inextricably associated with the Minister's policies and is effectively stopped from taking an independent line vis a vis the Minister."⁶⁷ The Board considered several alternative means of overcoming these difficulties. In light of the advent of the Broadcasting Authority, it questioned whether "there is any need to specify an advisory function in the Broadcasting Corporation Act". (It was also felt that private stations might consider that the N.Z.B.C. had a privileged position.⁶⁸) It spoke of constituting a separate department to serve the Minister in his relationships with both the Corporation and the Authority; and - perhaps most importantly - it mentioned the possibility of eliminating the broadcasting portfolio and placing the Corporation and the Authority under another minister. According to McFarlane's memo, the disadvantage of not having broadcasting matters receive "the same close attention at Cabinet level" could be overcome by "increasing the scope of the financial

authority of the Corporation over its own expenditures, and by a general acceptance of the reality of the independence of the Corporation in other directions."⁶⁹

66. Draft memo from Chairman to Minister (Adams-Schneider), circa late 1968/early 1969.

67. Ibid.

68. Ibid.

69. Ibid.

The Board was clearly concerned to see legislation promoted that would provide genuine independence for the N.Z.B.C. Its suggestions on this occasion were in line with its thinking as displayed in the draft bill of 1967 (see Appendix B) which

"emphatically recommended that no provision comparable with Section 11 of the present Act should be contained in the proposed legislation."

The Board had then proposed, inter alia, that the Corporation should be allowed to incur expenditure "to a much greater degree than at present permitted"; that the finances of the Corporation be taken

"out of the area where they are covered by the Public Revenues Act, 1953, where they are subject to Government audit and ... put ... in a category where the Corporation is at liberty to appoint its own auditors."⁷⁰

This it considered desirable as part of "the general intention to obtain both actual and apparent freedom from governmental control". It was also proposed to remove the statutory requirement that staff salaries and conditions be set "in agreement with" the State Services Commission.

In summary, it can be said that the retention of the broadcasting portfolio severely inhibited the N.Z.B.C.'s ability to secure for itself an arena of independent action. This problem was greatly exacerbated by the provisions of Section 11 of its enabling act. But, perhaps above all, "the weakness" to which Stringer referred was that neither the New Zealand public nor the country's politicians were sufficiently willing to accept and support the principle of real and manifest independence for the country's public broadcasting service. Abolition of the ministerial portfolio of broadcasting may have facilitated the political education necessary for such acceptance. However, that was a step the Government was unwilling to take.⁷¹

70. The Board appears here to have misunderstood the important distinction between accountability to Government and accountability to Parliament. The Auditor-General is an officer of Parliament, not of Government.

71. Adams-Schneider did toy with the idea of proposing to cabinet that the portfolio be abolished - "because there were charges of interference, but I wasn't interfering, I was using my influence." However, he decided not to.- Adams-Schneider to writer, June 9, 1976.

CHAPTER TWELVE: The N.Z.B.C. and the N.Z. Broadcasting Authority

This chapter does not offer an examination of the individual radio warrant hearings conducted by the Authority, nor of the two major public hearings carried out by it - on the subject of television expansion in general, and second channel warrant applications in particular.¹ Those matters are largely outside the scope of this thesis. The purpose here is to review the impact of the N.Z. Broadcasting Authority on the operational autonomy of the N.Z.B.C.

The Broadcasting Authority (which came into being at the beginning of 1969) was established by an Act of Parliament, passed in 1968.² In the main, the National Government justified its decision largely on anti-(N.Z.B.C.) monopoly grounds:

"far the most important reason for this Bill (is) the dispersal of the power of control ... To divide and disperse this power is democracy's best safeguard."

The introduction of private enterprise would provide the "stimulus and challenge which are the products of competition".³ Adams-Schneider, the Minister responsible for the Bill, felt constrained to support the N.Z.B.C. while tactfully alluding to its shortcomings:

"I did not say that the N.Z.B.C. lacked drive and initiative. I did say that in my view, there was additional punch and versatility in the private enterprise concept of the Government, competing with a corporation ..."⁴

The Government was able to argue convincingly that the Broadcasting Corporation Act 1961 was inadequate as a means of introducing private enterprise broadcasting. Ostensibly, the "pirates affair" of 1966 had shown that the Corporation was not

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1. The first, held in 1970, was a general inquiry into the extension of the country's television services: see Extension of Television Services in New Zealand, Report of the N.Z. Broadcasting Authority, Government Printer, Wellington, July, 1971. The second, two years later, was a hearing of applications for warrants to operate a second channel.
 2. The Broadcasting Authority Act 1968. For a description of the introduction into and passage of the Bill through Parliament see K.P. Ross, op. cit., chapter 3.
 3. G.F. Gair, National M.P., N.Z.P.D., Vol. 357, p. 2022-3.
 4. N.Z.P.D., Vol. 357, p. 2402.

willing to use Part III of its Act. (As shown in chapter 7, however, this was not necessarily the case.) The manifest desirability of separating ownership and control of radio and television from the regulatory and licensing functions thus became a strong argument.⁵ These arguments were used by the Government to counter criticism mounted by those - including some churches and the Public Service Association⁶ - who feared what they saw as the undesirable effects of allowing broadcasting to be used for private profit.

The Government's decision to set up the Authority was backgrounded by the National Party's internal attitudes towards private broadcasting, and also by its (the Government's) unease over what it had come to see as an increasingly monopolistic, insensitive and powerful N.Z.B.C. As Ross has pointed out⁷ (and as Sir John Marshall, then Deputy Prime Minister, has confirmed⁸) Part III of the Broadcasting Corporation Act 1961 was born of an intra-caucus compromise among those who had respectively favoured state, private, or statutory corporation control of television in New Zealand. In 1966, the Dominion conference of the National Party passed a remit calling for the creation of an independent authority to licence private radio and television stations. It also reversed its previous year's rejection of a remit calling for private participation in broadcasting.⁹ Moreover, the growing intra-party support for the idea of breaking the N.Z.B.C.'s monopoly was also in tune with the thinking of the then Minister of Broadcasting, W.J. Scott. In April, 1966, he commented publicly that "an independent authority to issue commercial radio and television licences to people and companies must come to New Zealand in the future."¹⁰ By this time (as shown in chapter 7) the Corporation had inquired of the Government as to its policy regarding the operation of Part III of its Act, but no explicit

5. See N.Z. Listener, November 29, 1968; Gair, op. cit.

6. See The Evening Post, October 7 and November 9, 1968; The Dominion, November 2, 1968.

7. K.P. Ross, op. cit., pp. 27-28.

8. Sir John Marshall to writer, July 6, 1976.

9. Reported in the N.Z. Herald, July 25, 1966.

10. Reported in the N.Z. Herald, April 15, 1966.

reply had been forthcoming. Scott, in fact, was developing his own ideas on the future of New Zealand broadcasting, ideas that were partly shaped by his tense relationship with the N.Z.B.C. itself, particularly its Director-General. Scott had recalled his argument with Stringer and Llewellyn over the N.Z.B.C.'s second channel proposals in 1964 (see chapter 6), particularly their assertion that a new channel would help the N.Z.B.C. to build up its news services and "bring the newspapers into line."¹¹ According to Scott:

"I felt that television was a very powerful medium and if it got into the wrong hands anything could be done with it. For a time I had a job to persuade my (caucus) colleagues. About 40 percent of caucus and cabinet were against allowing the introduction of private enterprise broadcasting. Stringer used to lobby the back-benchers against it."¹²

Scott recalls that he finally persuaded his colleagues with the argument that if a new Government took office that was a "bit unscrupulous as Labour had been in Scrimgeour's time" the broadcasting monopoly could be used against the National Party "to keep it out of office for years."¹³ The Minister had also come to feel strongly that the Corporation was too self-satisfied, and too insensitive to public criticism and demands. The breaking of its monopoly appealed to him as a means of overcoming this problem, which in his view stemmed from a fundamental truth that "it was impossible to make salesmen out of public servants."¹⁴ Scott's attitude hardened later in 1966 when, during the "pirates" controversy, the N.Z.B.C. appeared to be obstinate in the face of public demand for more "pop" music programmes (see chapter 7). Scott's anxieties stemmed from the difficulties of trying to match

11. Scott to writer, May 10, 1976.

12. Ibid.

13. Ibid.

14. Ibid.

expected responsibility with effective influence, and the consequent deteriorating relationship with the Director-General. Whether or not the N.Z.B.C. was as insensitive as Scott believed cannot be assessed here with any certainty, although the introduction of the regional programme advisory committees in 1965 may suggest otherwise. It can be suggested, however, that the attempts by Stringer to keep Scott "at arm's length" reinforced the Minister's impression of an organisation that was rather contemptuous of the public it supposedly served.

The new Authority was to fulfil three separate roles: to issue warrants for private stations (a judicial function, formerly entrusted to the N.Z.B.C.), to monitor all broadcasting stations in New Zealand, including the N.Z.B.C.'s (a regulatory function), and to provide administrative services, particularly in its advisory capacity to the Minister of Broadcasting. The regulatory functions that it was entrusted with suggested that, having established the N.Z.B.C. to exercise stewardship of the country's broadcasting services, the Government now considered that the Corporation was unsuited for, or inadequate to, that task. The Authority's Act repeated Section 10 of the Broadcasting Corporation Act relating to standards of good taste and decency, offence to public feeling, and to proper balance and impartiality in regard to news.¹⁵ The Authority was empowered to draw up rules (in consultation with the N.Z.B.C. and representatives of private warrant holders) for prescribing broadcasting standards, including the encouragement of New Zealand-produced programmes;¹⁶ and, as was the N.Z.B.C., it was required "to comply with the general policy of the Government" (in relation to the functions and powers of the Authority). The inclusion of this provision - Section 12 - meant that, particularly in light of the assessment provided in the previous chapter, the Government now had an additional and very powerful lever at its disposal in regard to the control of broadcasting. If the N.Z.B.C. did not wish to toe the line, the Authority could be -----

15. Broadcasting Authority Act 1968, Section 10 (1).

16. Broadcasting Authority Act 1968, Section 10 (2) (c) (d).

used to see that it did. The Corporation unsuccessfully resisted the intention to have the Authority's rules apply to its non-commercial stations.¹⁷

In its draft bill, which was used in drawing up the new legislation,¹⁸ the Board noted that its proposals were "intended to confer upon the members (of the Authority) such a freedom from outside interference as is at present conferred upon judicial officers of the highest class". The incorporation of Section 12 marked the rejection by Government of that sentiment, and meant that "questions could be asked as to the improbability of the provisions ... requiring the Authority to act judicially."¹⁹ (The inclusion of Section 12 went against a recommendation by the Department of Justice.²⁰) The Minister pointed out that it was not possible to indicate in advance all, or any, of the matters which the Government might consider it appropriate for the Authority to take into account, and that "circumstances might indicate that different considerations should apply at different times."²¹ This statement hardly foreshadowed the establishment of an independent judicial authority. Thus, in announcing that the Authority had been asked to invite applications for warrants to operate a second television channel, the Minister (H.J. Walker) commented that

"Government would consider the possibility of directing the Authority to make it a condition of the warrant that the N.Z.B.C. carry some independently prepared (news and current affairs) programmes."²²

(He had earlier denied that the Government had used Section 12,

17. See N.Z.P.D., Vol. 357, p. 1944.

18. See Appendix B.

19. R.S. Clark, "Broadcasting and Private Enterprise - The Proposed Broadcasting Authority", N.Z. Journal of Public Admin., Vol. 30, No. 2, March, 1968, p. 35.

20. See Department of Justice, The Citizen and Power: Administrative Tribunals, Govt. Printer, Wellington, 1965, p. 30.

21. Reported in The Evening Post, February 25, 1969.

22. Reported in The Evening Post, February 12, 1972.

or any other provision, to give a policy direction to the Authority in regard to the Government's policy on the introduction of a second television channel.²³⁾

Nor was the apparent independence of the Authority enhanced by the appointments made to it (members were appointed by the Governor-General on the recommendation of the Minister of Broadcasting.²⁴⁾ The Leader of the Opposition referred to "the smell of political patronage".²⁵ One member, H.E. Duff Daysh, was the National Party's treasurer, and all three members appeared to be solidly conservative.²⁶ Moreover, Adams-Schneider's personal influence was apparent. As the N.Z. Listener commented, "Church is more prominent than usual among the interests of all three Authority members."²⁷ This factor could be seen to influence the way in which the Authority interpreted Section 10 of its Act.

Again, it is not possible to determine the extent to which the Government felt it could use the Authority as a means of exerting influence over the content or style of news and current affairs broadcasting. It can be said, however, that by 1969, when the Authority took up its duties, the Corporation's current affairs endeavours had become markedly more vigorous and controversial. The week-nightly radio programme "Checkpoint" had begun at the beginning of 1968, and in May of that year the weekly television current affairs programme "Gallery" had been introduced. It can also be said that R.T. Peacock, who had taken over as Chairman of the Authority on October 1, 1969, after the resignation (because of ill health) of the original Chairman, was concerned over the extent of coverage given to non-conformist and dissenting

23. N.Z.P.D., Vol. 368, p. 3394.

24. Broadcasting Authority Act 1968, Section 3(2).

25. N.Z.P.D., Vol. 362, p. 1997.

26. The other two members were R.T. Garlick (Chairman), and R.B. Miller. Garlick was a Barrister and Solicitor (Section 3(3) of the Act required that the Chairman be a barrister or solicitor of not less than seven years' practice of the Supreme Court), a former Vice-President of the Methodist Church in N.Z., and a member of the Joint Commission on Church Union; Daysh was a stock-broker; and Miller a businessman. See Appendix D for a list of Authority members, their occupations, and terms of office.

27. Ibid.

groups on N.Z.B.C. current affairs programmes.²⁸ Peacock, who was also a former branch chairman of the National Party (Heretaunga), wished to have appearances of these groups prefaced by information about their membership size and financial resources so that the public would be better able to assess the strength of the group's following.²⁹ The N.Z.B.C. had resisted this suggestion, considering it impractical. The Authority was unable to enforce this requirement because it was legislatively unclear as to where responsibility lay for the maintenance of programme standards, both the N.Z.B.C. and the Authority being subject to the same statutory obligation (Section 10 of both the Broadcasting Corporation and Broadcasting Authority Acts). Peacock recalls that the Authority, had it not been abolished by the Labour Government in 1973, would have sought to have had this difficulty resolved in its favour by legislative amendment.³⁰

The establishment of the Authority created a situation of divided authority and responsibility. While the Authority had powers to make rules to set programme standards, it was not itself in the business of making those programmes. Conversely, the N.Z.B.C., whose staff were directly responsible for programme creation and presentation, was obliged to pay heed to an external body which could be seen to have little, if any, actual broadcasting experience. Both Stringer and Sceats considered that relations between the N.Z.B.C. and the Authority were "poor".³¹ The former saw the imposition of the Authority as a fetter on broadcasting professionalism. Not only had it been necessary for the N.Z.B.C.'s executive to familiarise successive Ministers and Board members with broadcasting matters, but it had to do the same with the Authority, during the process of drawing up broadcasting

28. Peacock to writer, June 29, 1976; letter of July 15, 1976, from Peacock to writer.

29. Peacock to writer, June 29, 1976.

30. Ibid.

31. Stringer to writer, July 13, 1976; Sceats to writer, May 21, 1976.

rules.³² According to Sceats, the Corporation's executive found it difficult to accept directions from people who had no experience in broadcasting.³³ (This resentment is perhaps reflected in the notable omission in 1970 of the N.Z.B.C. from among those bodies acknowledged by the Authority as having established a liaison with it.³⁴) Tensions between administrators and professionals are a feature of many organisations and have received much attention by students of organisations and administration.³⁵ The experience of the N.Z.B.C. and the N.Z.B.A., however, indicates that such strains are likely to be exacerbated when the "administrators" who exercise power over the professionals are found in an organisation external to that which houses the professionals.

In his comparative study of broadcasting organisations, Smith has noted that,

"To make it (broadcasting) publicly accountable to superbodies with power to investigate the details of the intellectual work of individuals must surely be spiritually destructive of any serious broadcasting industry ... The danger inherent in the new forms of Broadcasting Council is that they will further internalise in the minds of broadcasters a set of strictures which have more to do with the politics of institutions than the health of broadcasting."³⁶

This subject also drew comment from the Pilkington Committee in Britain, which argued that the creation of such a body would

"reduce the status of the public corporations (B.B.C. and I.T.A.) ... it would again raise doubts as to where the responsibility lay - which, the public corporation or the council, would be the guardian of the public interest in broadcasting? In fact, the task envisaged for it is part of what the Governors and Members are themselves appointed to undertake."³⁷

32. Stringer to writer, July 13, 1976.

33. Sceats to writer, May 21, 1976.

34. Annual Report of the N.Z. Broadcasting Authority, for year ended March 31, 1970, pp. 6-7.

35. See, for example, A.W. Gouldner, "Cosmopolitans and Locals", Administrative Science Quarterly, Dec., 1957, pp. 281-92; and P. Blau and W.R. Scott, Formal Organisations, Chandler, 1962, pp. 60-74, 244-47.

36. Anthony Smith, The Shadow in the Cave, op. cit., p. 154.

37. The Pilkington Report, quoted in E.G. Wedell, Broadcasting and Public Policy, op. cit., p. 267.

In New Zealand, Section 10(1)(a) of its Act required the N.Z.B.C. to "carry on a broadcasting service ... and from time to time to develop, extend and improve that service in the public interest." Corporation members were appointed to fulfill that responsibility; and they were publicly accountable to Parliament for the manner in which they interpreted "the public interest." The creation of the Authority, charged with ensuring the maintenance of programme standards weakened the authority of the N.Z.B.C. and, perhaps more importantly, downgraded its responsibilities. Yet the ensuing "responsibility vacuum" was not adequately filled by the Authority, since it was faced with the difficulty of trying to impose standards on professionals who not only were not directly responsible to it, but who regarded it with disdain. For example, the N.Z.B.C.'s Controller of Television Programmes, T.F.A. Shankland, felt the Authority had no effect on him: "I ignored it."³⁸ This situation paralleled that pertaining to the portfolio of broadcasting: there grew a desire to match expected responsibility with effective power. Hence, the Authority intended to seek, by legislation, greater powers of programme control. But this could only have exacerbated the professionals' problem of having to serve two masters. This was expressed succinctly by M.H. Holcroft in a Listener editorial written in 1967 after the Government's intentions had become clear:

"There are only two ways in which standards can be watched - by auditioning or monitoring. If these functions are transferred to an Authority, or are duplicated by it, we shall have in effect a second censorship; and in the nature of things, especially in its dependence on a code which can never be clearly defined, it will tend to be restrictive and inefficient. An Authority which lays down what cannot or should not be done can give no real guidance or assistance; it may condemn what is bad, but it cannot produce what is good."³⁹

The confusion resulting from the programme role of the Authority is illustrated by an incident in 1971. Just before the local

38. Shankland to writer, July 27, 1976.

39. N.Z. Listener, January 27, 1967.

body elections of that year The Southland Times reported that Invercargill Jaycees were "hopping mad" over an N.Z.B.C. ban on all forms of political advertising.⁴⁰ In reply, the N.Z.B.C. pointed out that it "had nothing to do with the embargo", which was made by the Authority. The N.Z.B.C., it was stated, had a long-established policy covering political advertising, but recently the Authority had introduced rules which required all N.Z.B.C. and private radio stations to refuse all advertising of political and religious meetings. The Corporation was willing to revert to its previous practice if the Authority's rules were amended.⁴¹

The N.Z.B.C.'s resentment of the N.Z.B.A. also stemmed from professional engineering considerations. With the advent of the Authority the Post Office dealt with it, and not the N.Z.B.C. (as it had hitherto done) in regard to spectrum planning - that is, the planning of frequency allocations among actual and potential users. According to the N.Z.B.C.'s Chief Engineer, A.K. Richardson, this effectively left professional broadcasting interests unrepresented in the planning process. Moreover, the N.Z.B.C. was reluctant to cooperate with the Authority in drawing up technical rules. The prevailing attitude was "why should we assist them to draw up rules to impose on us."⁴²

More generally, the N.Z.B.C.'s resentment of the Authority may be explained by the theoretical constructs of "domain territoriality" and organisational "mission". To use Anthony Downs' terminology, the N.Z.B.C. perceived the Authority as a threat to its control over its "heartland", in which the N.Z.B.C. was "the sole determinant of social policy."⁴³ In particular, the "heartland" of the N.Z.B.C.'s "policy space" constituted programme preparation and presentation, and broadcasting engineering. Similarly, the

40. The Southland Times, October 6, 1971.

41. Reported in the N.Z. Herald, October 6, 1971.

42. Richardson to writer, July 27, 1976.

43. Anthony Downs, op. cit., chapter 17.

establishment of the Authority was perceived as a threat to the N.Z.B.C.'s ability to fulfil its mission. As M.H. Halperin points out,

"Career officials of an organisation believe that they are in a better position than others to determine what capabilities they should have and how they should best fulfil their mission."⁴⁴

The Authority's powers - particularly in regard to the prescription of programme standards, and to its ability to shape the N.Z.B.C.'s competitive environment - "trespassed" on the Corporation's domain, weakened its capacity to determine the appropriate means of fulfilling its mission, and thus further undermined its autonomy.

Pertinently, Downs notes that "bureaus consume a great deal of time and energy in territorial struggles that create no socially useful products."⁴⁵ Undoubtedly, the advent of the Broadcasting Authority greatly complicated life for the top executives of the N.Z.B.C. It was noted in Chapter 8 that the planning functions, to be undertaken by newly-created executive directorships after the 1968/69 internal reorganisation, were never fulfilled because of pressures imposed by the need to deal with the Authority. In short, the N.Z.B.C.'s executives were confronted with the imperative of having constantly to protect their organisation's interests, as they saw them, in the face of the Authority's "invasion" of the Corporation's domain.⁴⁶ A new, more complex, game had been created and the N.Z.B.C. had to play by the rules. The Corporation had to present its case for ownership and operation of a second television channel in the two major hearings by the Authority - in 1970 and 1972. It was required to play a

44. M.H. Halperin, op. cit., p. 51.

45. Downs, op. cit., p. 216.

46. On February 18, 1969, the Board decided to set up a committee - comprising the Chairman, Deputy Chairman and the Director-General - to "take all steps necessary to ensure that the Corporation's statutory duties are fulfilled and its interests protected in respect of any matters arising from the establishment of the Broadcasting Authority." - N.Z.B.C. Board Minute, February 18, 1969.

legalistic game of protection, as when it filed with the Supreme Court an application for a writ of prohibition against the Authority in 1969 (on the grounds that the Authority had pre-judged the necessity and desirability of establishing additional commercial radio stations in Hamilton, Dunedin and Auckland)⁴⁷; and when, in 1971, it appealed (successfully) to the Supreme Court against a decision by the Authority granting a warrant to a private station in Christchurch on condition that it negotiate for the purchase or lease of the N.Z.B.C. station 3ZM.⁴⁸ (Reportedly, the Authority intended to seek statutory power enabling it to order the N.Z.B.C. to lease its facilities to private warrant holders.⁴⁹)

The legal proceedings reflected the Corporation's increasing concern over the manner in which the Authority was undermining the N.Z.B.C.'s ability to fulfil its statutory obligations. In 1970, the Corporation reported that,

"The Authority hearings have placed heavy demands on staff in the preparation of cases, and have involved the Corporation in considerable expense. The financial effects of private broadcasting operations have yet to be felt but if the N.Z.B.C.'s commercial revenue is seriously affected its broadcasting services and its contributions to the country's cultural life will require revision."⁵⁰

(Section 5 of the Broadcasting Amendment Act 1965 empowered the Corporation to "make grants or pay subsidies to any body or organisation engaged in assisting, promoting, or carrying out any performing art or cultural pursuit." During the 1970 financial year the N.Z.B.C. made a grant of \$23,250 to the Queen Elizabeth II Arts Council, and spent \$76,743 towards the fees and expenses of overseas artists presented in public concerts but who were not working in association with the N.Z.B.C. Symphony Orchestra. In that year, too, the Corporation spent \$578,403 on the direct expenses of the Orchestra.⁵¹) A year later, the

47. See report in The Evening Post, August 16, 1969.

48. See reports in The Evening Post, November 22, 1971; and December 1, 1971.

49. Reported in The Sunday Times, February 6, 1972.

50. Annual Report of the N.Z.B.C., March 31, 1970, p. 9.

51. Figures from Annual Report of the N.Z.B.C., March 31, 1970.

Director-General remarked that,

"when the present economic climate, coupled with possible inroads made by competition, is taken into account the position is aggravated and accentuated to a degree whereby the maintenance of existing (N.Z.B.C.) services and practices may become subject to change or retraction."⁵²

The N.Z.B.C. was faced with depleted financial reserves brought about by many factors, including inflation, payroll tax, and "the direct costs of the N.Z. Broadcasting Authority and the indirect costs of its decisions."⁵³ During the 1971 financial year, the N.Z.B.C. contributed \$85,920 out of a total of \$87,806 paid to the Authority in levies. The Authority's total income was \$92,009.⁵⁴

According to Stringer, the Authority severely distracted the N.Z.B.C. from its proper functions. The result was a "terrible waste of money and effort."⁵⁵ An Executive Director, N.R. Palmer, who was closely involved in the preparation and presentation of the N.Z.B.C.'s application for the second channel warrant in 1972, regarded all the hearings as "a waste of time; all we were doing was giving information away to our competitors."⁵⁶ Similarly, Sceats was convinced that, even before the presentation of evidence, the Authority had decided to grant a second channel warrant to private enterprise and not to the N.Z.B.C.⁵⁷ (In 1973, after the Labour Government had announced its intention to abolish both the N.Z.B.C. and the N.Z.B.A., the Authority made public its decision to grant the warrant to the private applicant. The applicant was then granted \$50,000 in compensation by the Government.)

52. Speech to Rotorua Rotary Club, March 29, 1971.

53. Annual Report of the N.Z.B.C., March 31, 1971, p. 7.

54. Annual Report of the N.Z. Broadcasting Authority, March 31, 1971, p. 8.

55. Stringer to writer, July 13, 1976.

56. N.R. Palmer to writer, June 30, 1976.

57. Sceats to writer, May 21, 1976.

Undoubtedly, much of the N.Z.B.C.'s resentment towards the Authority stemmed from a bloody-minded, self-protectionist, reaction that had more to do with system-maintenance than with genuine concern about the broader public interest. As the literature attests, however, that is a rational - and commonplace - response from bureaucracies that perceive major threats to their interests, perhaps survival.⁵⁸ Yet the N.Z.B.C.'s attitudes towards the Authority were by no means solely, even primarily, based on a desire to protect its own territoriality at the expense of broader public considerations. It is never easy, and is often impossible, to determine the actual motivations behind individual and organisational actions. Nevertheless, it can fairly be assumed that the N.Z.B.C., whose top executives without exception had built their careers in public service broadcasting, was genuinely concerned to protect the values of this form of broadcasting against what it saw as the misguided actions of a political instrument of profit-motivated interests. Of the eight warrants granted by the Authority until it went out of existence, six were opposed by the N.Z.B.C. (A ninth was also granted, but was rejected on the Corporation's appeal to the Supreme Court. One of the warrants granted was for Station 4XD, Dunedin, which had been operating for years under Corporation subsidy. The N.Z.B.C. did not oppose this warrant.) It is beyond the scope of this thesis to examine the pros and cons of the N.Z.B.C.'s arguments to the Authority, or that body's deliberations and judgements. It is necessary to point out, however, that the Authority's Act obliged it, when considering applications, to pay heed to the extent to which the proposed service was necessary or desirable in the public interest; the economic effect which the establishment of the station was likely to have on stations already in operation; and the effect the proposed station would be likely to have on broadcasting services already provided by the Corporation in the public interest.⁵⁹ Accordingly, the

58. See, for example, H. Seidman, Politics, Position and Power, 2nd ed., Oxford Univ. Press, 1976, esp. chapter 7; M.H. Halperin, op. cit., esp. chapters 6-14; M. Crozier, The Bureaucratic Phenomenon, op. cit., chapters 6 and 7.

59. Broadcasting Authority Act 1968, Section 21.

N.Z.B.C.'s opposition was based on three main arguments: that the proposals, if implemented, would affect the Corporation's revenue and future ability to maintain and extend its services in the public interest; that the proposals did not evidence balanced programming; and that they did not provide programmes or services which the N.Z.B.C. was not already undertaking.⁶⁰ The Corporation, on a more general level, also argued against the concept of private commercial broadcasting, but the Authority rejected this approach as irrelevant.⁶¹

The frustration which the N.Z.B.C.'s management felt when faced with what it saw as a debilitating effect on the organisation's ability to fulfil its public obligations was enhanced by the fact that the same body which caused this frustration was also able to exert influence, if not control, over the N.Z.B.C.'s own professional activities. The two sources of resentment were inextricably linked. Together, they brought the N.Z.B.C. into virtual confrontation with the Authority. In McKinnon's retrospective view,

"a good deal of time and money could have been saved if the N.Z.B.C. had been able to do a deal with Government to the effect that the Corporation would not oppose private stations if their numbers were to be clearly limited. But having put our hand to the sword we had to fight and fight."⁶²

It is not argued here that, because the N.Z.B.C. resented the Authority - and because, as will be argued in Part Three, the extra administrative burdens deflected the Corporation's leadership energies - such a body ought not to have been established in the first place. The Government had a political commitment, set forth in its 1966 General Election manifesto, to set up an independent authority.⁶³ It was a commitment

60. Annual Report of the N.Z.B.C., March 31, 1970, p. 8.

61. See K.P. Ross, op. cit., p. 112.

62. McKinnon to writer, May 8, 1976.

63. N.Z. National Party 1966 General Election Policy, No. 23.

fashioned from the National Party's general allegiance to the concept of private enterprise, and crystallised by the public — and private — controversy surrounding the "pirates" affair. It was incumbent upon the N.Z.B.C. to accept the operative complications imposed upon it by the advent of the Authority, and to deal with them as best it could.

Having said that, however, it may be asked whether the Authority could ever have served the best interests of public broadcasting in New Zealand. Referring to the constitution of the I.T.A. and the B.B.C., Anthony Smith has commented that,

"both systems contain a delicate tracery of constitutional arrangements which enable them to represent the public interest while being responsible for programme-making. Only when the confidence of either of the parties who are impliedly represented within this arrangement (i.e. the programme-makers and the public) is broken down does the need arise for some additional supervisory body, or court of last resort."⁶⁴

It is by no means certain that in the New Zealand of the mid-1960s any such withering of confidence had taken place. The Bick affair of late 1966 had indicated that some current affairs personnel within the Corporation were dissatisfied with what they saw as the administration's too literal, and hence too restrictive, interpretation of what constituted "proper balance". And they were also somewhat suspicious of the leadership's willingness and/or ability not to submit to political pressures.⁶⁵ However, it was hardly likely that these programme-makers would have welcomed the imposition of an external supervisory body as a means of overcoming these perceived difficulties (especially a body that, like the N.Z.B.C.'s own Board, displayed overwhelming political patronage). Moreover, at no time had there been any public outcry that the N.Z.B.C. had become irresponsible in interpreting its public duties, that it was overstepping the bounds of "good taste" or "decency", that it was tending " to

64. Anthony Smith, The Shadow in the Cave, op. cit., p. 150.

65. See Gordon Bick, op. cit.

incite to crime", or was leading to "disorder", or was "offensive to public feeling"; nor that a "proper balance" in programmes was not being maintained, nor that news broadcasts lacked "due accuracy and impartiality." A survey conducted by the writer among persons who served on the N.Z.B.C.'s regional programme advisory committees between the years 1965-1972 has shown that 9.86% of respondents felt that news broadcast by the N.Z.B.C. was presented with due accuracy and impartiality "always"; 83.10% thought "usually"; 7.04% considered "sometimes"; and none "seldom" or "never". Forty-eight percent of those who responded "always" or "usually" were appointed to the committees in the years 1965-67. During the period 1965-1972, 45.07% of respondents thought that generally there was too much violence or sex in television programmes broadcast by the N.Z.B.C.; but 54.93% thought that there was not too much. Of the total respondents appointed during the period 1965-67, 55.5% thought that there was too much; the remainder thought there was not. These figures do not necessarily reflect national opinion, but neither do they point to any overwhelming crisis of confidence in regard to the N.Z.B.C.'s performance. Perhaps more significantly, however - since Parliamentarians may be assumed to have their ears tuned to nuances in public opinion - during the debates on the Broadcasting Authority Bill neither Government nor Opposition members criticised the Corporation's performance in maintaining broadcasting standards. On the contrary, it was agreed that the Corporation had set high standards.⁶⁶

With this evidence in mind, it can be argued that there was no good reason why the Authority should have been given the power to impose rules on the N.Z.B.C. prescribing programme standards. By giving these powers to the Authority, by not restricting its competence to the hearing of warrant applications, and to the oversight of the programme standards of private licence-holders, the Government further impeded the N.Z.B.C.'s ability to carry out its functions.

66. N.Z.P.D., Vol. 357, p. 1944.

Resentment and frustration was fostered among the N.Z.B.C.'s management, and a heavy burden of work, expense and time was placed on the Corporation in dealing with a body which was by virtue of its statutes and personnel, a judicial body lacking the requisite political independence. Adams-Schneider has stated that the Authority, in its administrative role, was intended to be "closer to the Minister in giving advice than the N.Z.B.C., while still remaining independent."⁶⁷ Such being the case, the N.Z.B.C.'s suspicion of the Authority's ability to fulfil its judicial and regulatory functions fairly and impartially was undoubtedly enhanced.

The constitution of the Authority reflected a fundamental lack of appreciation of the role of a statutory public body such as the N.Z.B.C. Again, Anthony Smith is instructive. He has outlined the relationship between the growing executive role of the B.B.C.'s Board of Governors and the establishment by that Corporation in 1972 of a Complaints Commission.⁶⁸ In short, the role of the Board as an independent trustee of the national interest had been attenuated by its growing involvement in executive decisions, to the extent (as Smith puts it) that,

"the public found itself ... finally bereft of any instrument within the structure of broadcasting which it could in any way regard as its representatives. The Board of Governors of the B.B.C. was now a purely executive Board running a busy national enterprise in a competitive way."⁶⁹

The N.Z.B.C. Board's desire to fulfil an increasingly executive function has been described in chapters 9 and 10. Importantly, this desire was reinforced by the fact that, with the advent of the Authority, the N.Z.B.C. found itself in a competitive environment. As McFarlane noted,

67. Adams-Schneider to writer, June 9, 1976.

68. Anthony Smith, The Shadow in the Cave, op. cit., pp. 144-147.

69. Ibid (p. 146).

"As an operating authority in a competitive environment, we consider that the Corporation should be constituted on business-like lines. The removal of the departmental nexus with the Minister will materially assist this, but there is need to establish a clear line of control and accountability flowing from the Board to the executives."⁷⁰

(The 1967 amendment which provided for the appointment of the Director-General by the Corporation was designed to correct this, but, as the Chairman pointed out, "there are still some incidental amendments necessary to ensure unity of control within the Corporation."⁷¹)

The Government's action in constituting the Authority thus provided an indirect impulse behind the Board's acquisition of an increasingly executive role, and indirectly contributed to the internal administrative difficulties which beset the N.Z.B.C. following the 1968/69 reorganisation. (Although, as shown in Chapter 8, the shape of the reorganisation was clearly the Board's responsibility.)

However, while the Board sought to acquire greater independence from Governmental controls,⁷² and to confirm itself as the source of executive authority within the organisation, the powers granted to the Authority in relation to the activities of the N.Z.B.C. downgraded the status of the Corporation from that of a statutory public body responsible, as a trustee of the national interest, for the conduct of a public broadcasting service, to that of just another warrant-holder in a competitive broadcasting environment. (The Authority's Act provided that all existing stations operated by the N.Z.B.C. would automatically be granted warrants;⁷³ but the Corporation was obliged to apply to the Authority for additional warrants on the same basis as other applicants.) Not the least of the Government's reasons for bringing the N.Z.B.C. under the purview of the Authority was that the Corporation, as

70. Draft memo from Board to Adams-Schneider, circa late 1968/early 1969.

71. Ibid.

72. See, for example, the 1967 draft bill, Appendix B.

73. Broadcasting Authority Act 1968, Section 17.

shown above, would be the main source of the Authority's income. The Government, as argued in earlier chapters, was also concerned over the N.Z.B.C.'s efforts to establish and cement its independence, and very likely saw the Authority as a means of circumscribing that autonomy. (A small, but probably significant example occurred in October 1966, when the Corporation announced that it was to extend its television transmission hours. The decision was made without consulting the Government, which did not favour such a move in light of the economic situation at the time.⁷⁴ The Authority became responsible for granting extensions to broadcast hours and advertising time.)

Ironically, by seeking and acquiring for itself a growing executive role, the N.Z.B.C.'s Board was providing a tacit justification for having the Corporation placed within the purview of the Authority. This stemmed from the attenuation of the Board's consitutional role as an independent trustee of the public interest. The process began, as shown in earlier chapters, during McFarlane's term as Chairman - well before the advent of the Authority - and was consolidated during McKinnon's, by which time the Authority had been set up. In adopting the Normanbrook conception of the role of the B.B.C. Board of Governors, McFarlane was eager to develop the executive role of the Board. (In its draft bill of 1967 the Board noted the desirability of considering whether or not "a full time executive member should be at the head of either or both" ... [the proposed Board of Control and the N.Z.B.C.]⁷⁵) It must be remembered, in this regard, that the Board comprised persons who, in the main, were familiar with the corporate management of private companies. Normanbrook, however, while articulating the difficulties of separating policy from administration was also at pains to stress the trusteeship function of the Board of Governors, and in light of this had resisted suggestions that an

74. W.J. Scott to writer, May 10, 1976. The hours on all channels were extended by 15 per week as from April 1, 1967. - N.Z.B.C. News Release, October 28, 1966.

75. 1967 draft bill, p. 12 (See Appendix B).

external control body be set up.⁷⁶ (Accordingly, as Smith notes, Normanbrook's relationship with the B.B.C.'s Director-General, Sir Hugh Greene, was "peaceful and cooperative."⁷⁷ He points out that Greene's problems occurred under the Chairmanship of Lord Hill, "who made himself the chief executive of the entire organisation."⁷⁸).

Had the N.Z.B.C.'s Board displayed a similar awareness its status as an independent trustee of the public interest might have been more readily preserved, though (as indicated in the previous chapter) New Zealand's seeming indifference to constitutional niceties, and the retention of the portfolio of broadcasting, were critical barriers to this. Moreover, while the Authority was a fact of life by the time McKinnon took over the Chairmanship, his consolidation of the executive function of Chairman made the attenuation of the trustee-executive relationship virtually irreversible. It can be suggested that McKinnon lacked an adequate appreciation of the functions and responsibilities of a statutory public body like the N.Z.B.C. This is evidenced by his desire to make all public rebuttals of criticism of the organisation, particularly those by politicians.⁷⁹

76. Said Normanbrook (*op. cit.*, pp. 4-5, and p. 16): "... the Governors become, in effect, 'trustees for the national interest', in their responsibility for the quality of the broadcasting service. They are responsible, not only for its efficiency - for a high standard of performance in its technical and engineering services and for an equally high standard of professional competence in the production and presentation of its programmes. They are also responsible for maintaining the moral and social values which should characterise good public-service broadcasting - the objectivity of news services, the impartiality of current affairs programmes, a sufficient volume of good educational programmes, and a high standard of taste and discretion in the entertainment programme output as a whole ... It is because we are jealous of the trust committed to us that we resist all suggestions for some external control body which would diminish and weaken our own responsibilities as representatives of the public."

77. Anthony Smith, *The Shadow in the Cave*, *op. cit.*, p. 144.

78. *Ibid.*, (p. 145).

79. McKinnon to writer, May 8, 1976. For example, see *The Evening Post*, May 4, 1971; *The Evening Post*, July 27, 1970; *The Evening Post*, May 20, 1969; *N.Z. Herald*, December 11, 1970, *The Evening Post*, April 26, 1971.

Undoubtedly, McKinnon was motivated by a genuine and honourable desire to protect the N.Z.B.C. staff. But this desire represented a failure to appreciate the fine but important distinction between the role of the Chairman and the Board as a guardian of the public interest, and their function as the source of organisational authority. In line with this distinction, public statements on professional broadcasting matters should generally have been made by the person to whom the professionals were themselves directly responsible - that is, the Director-General. If necessary, the Chairman could have entered the fray subsequently, but acting in the role of an independent trustee of the public interest. This had been the practice under McFarlane's chairmanship. For example, in his public statement on the Bick affair, in October, 1966, McFarlane commented that, "I have found no evidence to support his (Bick's) ungenerous accusation against the Director-General of Broadcasting, Mr. Gilbert Stringer."⁸⁰ McFarlane, it can be suggested - probably by virtue of his wide experience in governmental administration - was more aware of the fine distinctions inherent in the Normanbrook interpretation than was his successor. By his own admission, McKinnon had been uncertain about the proper functions of the Board. In his words,

"I had to determine what was the role of the Board and of the Chairman. It took me some time to sort out what my position was. I consulted commercial directors and ... we operated the Board in the fashion of a commercial Board of Directors."⁸¹

While too much should not be read into this statement - McKinnon had been worried about how best to conduct the business of the Board during its meetings⁸² - nevertheless, the observation suggests that McKinnon felt his best advice would come from persons used to running private companies. These persons, however, were more likely to be familiar with the values of business

80. Reported in The Dominion, October 12, 1966. Bick had alleged that the N.Z.B.C. hierarchy had "meekly allowed" the Government to stop a "Compass" current affairs programme on an aspect of the then forthcoming decimal currency changeover. See The Dominion-Sunday Times, October 2, 1966.

81. McKinnon to writer, May 8, 1976. One person whom McKinnon consulted was his brother-in-law, prominent businessman Sir Clifford Plimmer.

82. Ibid.

efficiency than with more imprecise concepts like "the public interest", "policy", "administration", and "accountability" which impinged heavily on the role of the N.Z.B.C. McKinnon saw the Board as being responsible to Parliament - as "the proxies of the shareholders" (licence fee-payers)⁸³ - but this responsibility was interpreted in a strictly hierarchical sense: the Chairman was seen to be the fount of organisational executive power. The subtle and complex distinction between the Board as a trustee of the public interest, and the Board as the apex of a corporate chain of command seems to have received little, if any, consideration.

As Anthony Smith has pointed out:

"Something has to be interposed between the state and the actual organisations which conduct and organise broadcasting, but a pseudo-judiciary is not likely to be the answer that will satisfy in the long run the needs of those demanding it, still less those who are concerned to increase the quality and vitality of the broadcasting product. The dilemma is almost unresolvable within the present technology and structure of broadcasting. It is a pain we have to learn to live with rather than one for which we should seek cheap placebos."⁸⁴

In place of pursuits which served to downgrade the status and responsibilities of the Board of the N.Z.B.C., greater efforts should have been made to understand the fundamental constitutional premises on which the Board was - or ought to have been - based. Had such an effort been made most of the problems which arose from the establishment of the Authority, and which characterised its relations with the N.Z.B.C., might have been avoided. This in turn may have facilitated a more permanent and more socially valuable contribution to the development of New Zealand's public broadcasting system.

83. Ibid.

84. Anthony Smith, The Shadow in the Cave, op. cit., p. 154.

CHAPTER THIRTEEN: The N.Z.B.C. and the Theory of the
Public Corporation.

This is a bridging chapter. Its main purpose is to review the principal arguments presented in Part Two (with some brief reference to the Broadcasting Acts of 1973 and 1976). This will, in turn, provide a platform for Part Three, which focuses in the main on the tensions between the organisation's leadership and the professional broadcasting staff, tensions which - like those examined in Part Two - impinged strongly upon the N.Z.B.C.'s search for autonomy and, ultimately, its very survival.

Students of the administrative device known as the public corporation¹ have been almost unanimous in their assessment that the differences between government departments and public corporations, in terms of independence from governmental controls, have usually been more imaginary than real. Writing in 1942 on public corporations in America, Pritchett concluded that

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1. There has been marked disagreement over what constitutes a "public corporation" in New Zealand. For example, according to Webley (op. cit.) there were 58 public corporations in New Zealand as of August, 1976. However, D.R. Hutton ("The Role of Statutory Boards in New Zealand Public Administration", Public Sector Research Paper No. 1, N.Z. Institute of Public Administration, 1979) argues that writers "have often failed to distinguish public corporations from statutory boards" (p. 71). According to Hutton, there were only nine public corporations in New Zealand as of June, 1978. He adopts the definition offered by W. Friedmann, (editor, The Public Corporation, Stevens, 1954, p. 541): "an institution operating a service of an economic or social character, on behalf of the government, but as an independent legal entity; largely autonomous in its management though responsible to the public, through government and parliament, and subject to some direction by the government; equipped on the other hand with independent and separate funds of its own, and the legal and commercial attributes of a commercial enterprise." Clearly, when tested against this definition Webley's classification is much too liberal, embracing as it does organisations like the Museum and War Memorial Board of Trustees, and the N.Z. Patriotic Fund Board.

"the government agencies called corporations are coming more and more to act like ordinary bureaus and departments. It becomes increasingly difficult to talk about 'the government corporation', for the attributes which marked the earlier federal corporations and made them representatives of a distinctive type of administrative organization have been disappearing before our eyes."²

Thirty-one years later a student of British politics and administration, Trevor Smith, observed that,

"a satisfactory balance between public control and commercial freedom has never been found. The theory and the facts are widely separated. Ministerial intervention has increased, and Parliament has not been content to refrain from commenting on and trying to influence the day to day administration of the industries. The position of the public corporations today is confused and no longer reflects the intentions expressed when they were set up."³

Another, noting successive attempts to "rebuild the theory of the public corporation and to redefine more precisely the respective responsibilities of ministers and boards", has concluded that all these attempts - to distinguish between policy and management, matters minor and major, social objectives and commercial criteria, policy and administration, objectives and strategies and management - have failed "because the two aspects, though analytically separate, interact."⁴ In New Zealand, too, it has been argued that "the real differences between departments and non-departmental organisations are often slight indeed"⁵; and that,

"In administrative and political practice ... the public corporation has no clearly recognisable identity. Other agencies have corporate status, other agencies have been established by legislation New Zealand governments, like their overseas counterparts, have been consistent only in being pragmatic; the names given to administrative agencies bear no precise relation to their actual form or function in the political system."⁶

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2. C. Herman Pritchett, "The Paradox of the Government Corporation", Public Administration Review, Vol. 1, 4, 1941. p. 389.
 3. Trevor Smith, Anti-Politics, Charles Knight, 1972, pp. 104-5.
 4. G.W. Jones, Responsibility and Government, London School of Economics and Political Science, 1977, p. 24.
 5. R.J. Polaschek, op. cit., p. 71.
 6. I.A. Webley, op. cit., p. 39.

The Royal Commission on the New Zealand State Services has also noted that "the degree of freedom enjoyed in practice by corporations may not be as great as is sometimes assumed."⁷

The general tenor of dissatisfaction with the way in which public corporations have found themselves subject to governmental controls and ministerial intervention has tended to discredit the corporation as a means of finding the "middle way" between private enterprise and departmental administration: "'the middle way' of the public corporation cannot be maintained in the face of political pressures."⁸ Jones, for example, argues that the difficulties can be resolved only by choosing between giving responsibility for the enterprise either to the elected authority or to the private sector:

"If the latter is chosen then the market will provide the main disciplines and the enterprise will be responsible to its customers If the main responsibility is put on an elected authority, political factors will predominate and the enterprise will be mainly disciplined by voters and their representatives."⁹

However, it must be remembered that the theory of the public corporation ("the great administrative invention of the twentieth century"¹⁰) emerged from a desire to balance a need for commercial initiative and enterprise on the one hand, and public accountability - freed from the bureaucratization of departmental administration - on the other.¹¹

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7. The State Services in New Zealand: Report of the Royal Commission of Inquiry, Government Printer, Wellington, June, 1962, p. 91.
 8. G.W. Jones, op. cit., p. 26.
 9. Ibid (pp. 26-27).
 10. Ibid (p. 26).
 11. "The underlying reason for the creation of the modern type of public corporation is the need for a high degree of freedom, boldness and enterprise in the management of undertakings of an industrial or commercial character and the desire to escape from the caution and circumspection which is considered typical of government departments." - W.A. Robson (ed.), Problems of Nationalised Industry, Allen, 1952, p. 16.

The principal values to be promoted by the public corporation were those of "efficiency" and "economy" : the organisations were to produce the benefits of the market, without existing, by and large, in a commercially competitive environment.¹² Disillusion, however, stemmed from the hard lessons of political reality: in particular, the desire of governments to want to match responsibility with power. As Trevor Smith points out in regard to public enterprise in Britain,

"The fiercest battles (between the Government and the public corporation) have been over prices, a sphere where ministers have continually intervened and often overruled the boards. Price increases in transport, electricity or coal are bound to have an adverse affect on the Government's popularity; besides this, the fact that many of them are basic industries means that price increases have important repercussions throughout the economy ... as well as close control over price increases, capital investment is closely scrutinised by the Government. This is to some extent inevitable: the basic nature of the public corporations, especially those concerned with fuel and power, with regard to the general economic development of the country, means that any kind of economic planning ... depends on them."¹³

It has been shown in previous chapters how the New Zealand Government was concerned with similar problems in respect of the N.Z.B.C. In summary, it can be said that the Corporation's "ascribed" autonomy was strongly circumscribed to begin with: its Act placed a range of important constraints on the Corporation's operating freedom, as the draft bill drawn up by the Board in 1967 makes clear. The N.Z.B.C. was required to work within the confines of a set of "contextual ends",¹⁴ including the need to satisfy the requirements of the State Services Commission in regard to staffing matters, the need to "comply" with the general policy

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12. Says G.W. Jones (op cit., p. 21), "For broad policy they (the public corporations) would follow the minister, but for the managerial efficiency of their operations they would be responsible to their customers. Political accountability and managerial autonomy were reconciled to promote the public interest."
 13. Trevor Smith, op. cit., pp. 106-7. See, too, Leicester Webb, "Freedom and the Public Corporation", Public Administration (Sydney), 13, 1954, p. 103.
 14. E.C. Banfield, "Ends and Means in Planning", in S. Mailick and E.H. Van Ness (eds.), op. cit. " ... the end-systems of public organizations are vastly more complex than those of private ones. Contextual ends, in particular, are far more numerous. A private builder, for example, does not concern himself with the effect of high-rise construction on birth rates and family life, but a public one must" (p. 79).

of the Government, the need to comply with the requirements of the Public Revenues Act 1953, and the need to seek ministerial approval for capital expenditure in excess of a certain sum. Later, the advent of the Broadcasting Authority represented the imposition of a new set of contextual goals. These and other statutory constraints helped define the push and pull that characterised the N.Z.B.C.'s struggle for achieved autonomy.

Yet it would be seriously misleading to see this struggle principally in terms of, on the one hand, Government's desire to control the N.Z.B.C. in the broader interests of economic management, and, on the other hand, the N.Z.B.C.'s desire to better manage its own affairs (i.e. more efficiently and economically) without Government, or other external, interference. (Though this was certainly a matter of much dissatisfaction on the part of the N.Z.B.C.'s administration, particularly with the advent of the Authority.) The theory of the public corporation is concerned not only with welding commercial efficiency and public accountability, but also with striking a balance between the latter and other socially important values. As Webb has put it:

"Another field of usefulness for the public corporation arises from the requirement that public servants shall not ...criticise publicly the actions of the policy of government. That is, departmental administration is inherently unsuitable for institutions of higher learning, for research institutions, and for services such as broadcasting which are required to provide the community with news services and to promote discussion of social and political problems."¹⁵

Webb goes on to point to an essential difference, at the time of his writing, between the public broadcasting organisations of Australia and New Zealand. The former, a public corporation, was operating "an objective and fairly comprehensive news service" while the latter (then the N.Z.B.S.) ran a news service "suspiciously replete with harmless trivialities" and which became "tendentious in times of domestic tension."¹⁶

15. Webb, op. cit., p. 107.

16. Ibid.

Webb's example is well placed: news and controversial broadcasting is an essential part of the "watchdog" and "common carrier" functions so important in a liberal democracy.¹⁷ It is in this context that Richard Hoggart speaks of "democratic broadcasting" which can be distinguished from "state-controlled" and "commercially-impelled" broadcasting. The "essence" of democratic broadcasting is "the effort objectively to serve as wide a range as possible of diverse interests."¹⁸ As he notes, moreover, this form of broadcasting is "not really loved by establishments and big battalions, political and commercial, since it has an awkward independence of them."¹⁹

The essential point is that genuine public service broadcasting, or democratic broadcasting, must be founded upon an independence from both political and commercial domination, real and/or manifest. Jones, therefore, while correct in asserting that "once an activity is within the public sector political pressures will push ministers to intervene",²⁰ is mistaken in his sweeping "solution". The "solution", in the case of a public broadcasting organisation, can be neither an imposition (or re-imposition) of ministerial control, nor recourse to the market. The former inevitably undermines the real and manifest independence essential to the performance of the "watchdog" and "common carrier" functions; the latter promotes the profit ahead of the service motive, severely

17. "As service agencies assisting the political process the news media are useful channels in a massive exchange of information between government and citizens. For many purposes they can be considered as 'common carriers of information' whose employees need show little concern about the content of what they carry, except to see that it conforms to acceptable standards of propriety, fairness, scope and accuracy. However, the media are also expected to be guardians of the public welfare, charged with the responsibility of speaking critically on their audiences' behalf about the activities of government, and with placing checks on its scope by drawing attention to important issues or by threatening to mobilise opinion against it whenever in their view the situation needs it." - L. Cleveland, The Structure and Functions of the Press in New Zealand, unpublished Ph.D. thesis, Victoria University of Wellington, February, 1970, p. 1.

18. R. Hoggart, quoted in E.G. Wedell (ed.), Structures of Broadcasting, op. cit., p. 99.

19. Ibid.

20. Jones, op. cit., p. 28.

restricting the capacity to cater for "as wide a range as possible of diverse interests" (as evidenced, for example, by the N.Z.B.C.'s concern over the indirect effects of the N.Z.B.A.'s decisions).

Webley notes that some New Zealand public corporations have "managed to develop and retain an image of independence and specialised status that no other group of public corporations has been able to achieve."²¹ The N.Z.B.C., however, was not one of them, for reasons that have been put forward in the preceding chapters, and for further reasons that are to be suggested in Part Three. In particular, the development of a genuinely comprehensive and independent news service depended on the real and manifest separation of the parent organisation from partisan political control. Hence, whether by intent or by historical or political accident, the creation of the N.Z.B.C. was essential to the establishment of the news service. However, little heed was paid to the peculiar functions of a public broadcasting system and to the need to enhance the de jure independence of the N.Z.B.C. accordingly. As suggested in Chapter 5 (see footnote 37) the N.Z.B.C. was born amidst little, if any, debate about these more abstract, though crucial, questions.

By the mid-1960s, the Corporation had come to feel most dissatisfied with its enabling Act. In its view, it was not enough merely to create a public corporation largely in accordance with statutory precedent. As McFarlane commented:

21. Webley, op. cit., pp. 43-44. Webley refers, in particular, to "primary produce corporations". It is pertinent to note, however, that Hutton (op. cit.) classifies these bodies as statutory boards, one of the characteristics of which is "a deliberate separateness from the policies of the Government especially where boards are dominated by interest group representatives" (p. 10). Elsewhere (p. 71), he states that "Statutory boards ... are institutionalised interest groups with considerable political power from their constituents. Within each board's limited area there is almost complete delegation of political power from Ministers; virtually an abdication of responsibility."

"as we (the Board) see it, corporations do not fall into any definable pattern, and because of the special reasons for their establishment, they are essentially individualistic. So far as the Broadcasting Corporation is concerned, we feel that because of the nature of the services it provides, it should be, and appear to be, more free than most from direct Ministerial control and from public service associations."²²

As Halperin points out, career officials attach high priority to controlling their own resources so that these can be used to support the essence of the organisation.²³ The N.Z.B.C. asked Government to amend Section 17, in order to eliminate the need for obtaining agreement with the State Services Commission on staffing matters.²⁴ It also made submissions to the 1968 Royal Commission of Inquiry into Salary and Wage Fixing Procedures in the N.Z. State Services, arguing that the N.Z.B.C. "must be seen to be free from political interference", and stressing the present and anticipated increased competition for radio and television performers, administrators, and technicians, and the need to make frequent adjustments to meet changes in an extremely variable industry."²⁵ The Commission supported the N.Z.B.C.'s submissions, arguing that Section 17 should be repealed, and that the Corporation should be trusted to consult the State Services Commission and to exercise a wise discretion in fixing its salaries and conditions of employment while maintaining reasonable co-ordination.²⁶

22. Draft memo from Board to Adams-Schneider, circa late 1968/early 1969.

23. M.H. Halperin, op. cit., p. 51. "The organization's essence is the view held by the dominant group in the organization of what the missions and capabilities should be" (p. 28).

24. Draft memo from Board to Adams-Schneider, circa late 1968/early 1969.

25. Report of the Royal Commission on Salary and Wage Fixing Procedures in the N.Z. State Services, op. cit., pp. 157 and 159.

26. Ibid. (p. 160).

However, it was not until 1971 that Section 17 was amended in any way: the Corporation was enabled to hire personnel on contract. This was an addition to the existing provisions which remained, in themselves, unaltered.²⁷ Another contentious issue with the Corporation was the mode of payment of the Director-General's salary. It advocated to the Royal Commission in 1968 that it should be able to fix the salary, rather than having it appropriated by Parliament from the Consolidated Revenue Account.²⁸ According to the Minister, the reason for the Parliamentary appropriation of the salary was to maintain consistency with the chief executive officers of such organisations as the State Advances Corporation and the Waterfront Industry Commission, whose salaries were recommended by the Advisory Committee of Higher Salaries.²⁹ While the Royal Commission was unconvinced of the need to retain Parliamentary appropriation it did not consider that "a point has been reached in the movement of broadcasting away from departmental administration where complete autonomy in this respect is *desirable*." It felt the timing of a change was "properly a matter for negotiations between the Board and the Minister ..."³⁰ A change was negotiated, the Broadcasting Corporation Amendment Act 1970 (introduced non-controversially by way of the Statutes Amendment Bill) providing that the salary would be paid from the Broadcasting Account at a rate determined by the Governor-General by Order in Council.³¹ (This change may have been precipitated by the fact that, in the early months of 1970, the Corporation had tried to attract an overseas replacement for Stringer at a salary of \$17,000—the existing salary for the post was \$11,200—but had been thwarted by the Cabinet Committee on States Services.³²)

27. Broadcasting Corporation Amendment Act 1971, Section 3.
28. Report of the Royal Commission (above), op. cit., p. 160.
29. N.Z.P.D., Vol. 354, p. 4388.
30. Report of the Royal Commission (above), op. cit., p. 160.
31. Broadcasting Corporation Amendment Act 1970, Section 3(1).
32. Reported in the N.Z. Herald, March 2, 1970.

Clearly, a major determinant of independence for a public corporation is the availability and source of the finance required for its purposes. As Peres points out,

"the most desirable level of financial autonomy would be reached by a corporation with guaranteed sources of finance, capable of yielding the sums needed for the corporation's purposes as determined by the corporation's executive, and with monies held outside the public account."³³

However, as the N.Z.B.C.'s experience suggests, there is a paradox here: the more financially self-sufficient the corporation (as was the N.Z.B.C.), the more the Government may seek to control its expenditure. In the N.Z.B.C.'s case, two reasons were apparent. Firstly, the dependent nature of the New Zealand economy, and the imperatives of governmental economic management. Secondly, the Government's identification with the organisation's developmental goals, in particular the expansion of television facilities throughout the country and the improvement of radio services in certain areas.³⁴ As shown, far from enjoying autonomy flowing from its financial self-sufficiency, the N.Z.B.C. was subject to close control over capital development, and - as Stringer has testified - tried to circumvent these constraints whenever possible. (The Government's concern was probably based not only on the requirements of general economic management but also on political considerations. The Corporation's development plan was based on a careful and detailed amalgum of population, financial and technical considerations,³⁵ which may not always have coincided with the Government's assessment of possible political advantage.) More on this shortly.

Arguably, there should have been clear limitations on the extent to which Section 11, in particular, enabled the Government to shape the policies of the N.Z.B.C. As the liquor episode showed, a general provision like Section 11 could enable the Government to

33. Leon Peres, "The Resurrection of Autonomy: Organisation Theory and the Statutory Corporation", Public Administration (Sydney), Vol. 27, 4, 1968, p. 364.

34. See, for example, The National Party 1966 General Election Policy, No. 23: "Within New Zealand, the rapid coverage of the country with Television services have been a feature of our administration. The National Government will continue this progressive policy".

35. See G.H. Stringer, "N.Z.B.C. Earns £7.2 million - And More Than Pays its Way", op. cit., p. 11.

influence programme policy as well. The effect on the operational autonomy of the Corporation was pernicious. Programme matters could have been specifically excluded from the scope of Section 11. In 1973, the Labour Government, in abolishing the N.Z.B.C. and establishing three separate corporations and a broadcasting council in its place, omitted any clause such as Section 11 from the legislation. In 1976, the new National Government, in its restructuring of the public broadcasting system, reintroduced a provision similar to the old Section 11.³⁶ The new provision, however, could be considered weaker than the old Section 11 because it required the Corporation to "have regard to" the general policy of the Government, rather than to "comply with" that policy. However, as one observer has commented,

"the real danger of such a provision arises not from the directions actually given pursuant to it but from its ad terrorem effect - a certain timidity brought about by fear of what the Government might do ..."³⁷

The 1976 provision also prevents the Minister giving any written directive "in respect of a particular programme or a particular complaint."³⁸ Yet, as the example of the N.Z.B.C.'s liquor policy indicates, provisions like Section 11 enable the Minister to exert influence without having to issue written directives.

It is pertinent to note that the "watered down" version of Section 11 included in the 1976 Act followed strong objections from broadcasters and other interested parties against the intention to reintroduce this type of provision into the legislation.

36. Broadcasting Act 1976, Section 20(1): "In the exercise of its functions and powers under this Act, the Corporation shall have regard to the general policy of the Government in relation to broadcasting, and shall comply with any directions given by the Minister to the Corporation by notice in writing pursuant to that policy"
37. R.S. Clark, op. cit., p. 35.
38. Broadcasting Act 1976, Section 20(1).

This raises an important point in regard to the autonomy of a corporation like the N.Z.B.C. An essential element in promoting and maintaining de jure and de facto independence is a public demand that these standards of autonomy be maintained. There is a need to shape Vickers' "appreciative setting" as to the purposes of public service (or democratic) broadcasting. The point was ruefully observed by McFarlane during the liquor controversy: "independence has to be earned by acceptance. It does not depend entirely on legislation and politics, but (also) on acceptance by the public." ³⁹ As shown, the retention of the portfolio of broadcasting did nothing to enhance that acceptance. (Paradoxically, perhaps, 1961 saw the Minister's title changed from Minister in Charge of Broadcasting - which had applied since the advent of full departmental administration in 1936 - to the up-status title of Minister of Broadcasting.)

It is also necessary constantly to reaffirm the need for politicians to respect the necessary independence of a public corporation like the N.Z.B.C. Again, the evidence suggests that too many politicians were reluctant to do so. For example, McKinnon has testified that "quite a number of Ministers" 'phoned him with complaints over particular programme matters.⁴⁰ R.D. Muldoon, then Minister of Finance, recalls that he "took the (1970 news "censorship" of him - see chapter 10) matter up with McKinnon and ... understood that these instructions were cancelled."⁴¹ McFarlane has recalled a telephone call from the Prime Minister complaining about a television item with anti-Vietnam War connotations: "Mr Holyoake maintained that he was calling not as the Prime Minister but as a private citizen."⁴² And two former editors of the N.Z.B.C.'s news service have recalled personal telephone calls from the Leader of the Opposition, N.E. Kirk,

39. Reported in the N.Z. Herald, July 4, 1968.

40. Reported in The Evening Post, September 14, 1972.

41. Reported in The Evening Post, December 10, 1970.

42. McFarlane to writer, June 15, 1976.

complaining of particular news items.⁴³ It goes without saying that cabinet ministers and other politicians are as much entitled to complain as anyone else about aspects of broadcasting that trouble them. Yet they need also to appreciate, perhaps far more than the ordinary citizen, that the independence of a public broadcasting system is tenuously maintained, that long-term democratic values are more important than short-term self-interest.

The same applies in regard to the use of parliamentary questions. As shown, early attempts by the Minister to resist questions about the day-to-day activities of the N.Z.B.C. came to nothing. (The same occurred following the Labour Government's abolition of the broadcasting portfolio in 1975 - in terms of the Broadcasting Act 1973. Under pressure from the Opposition the Postmaster-General—who, as originally intended, would answer questions "about matters of broad financial and technical interest and general aspects of the activities of the Broadcasting Council and the three corporations"⁴⁴ was obliged to accept questions on daily operational matters in his "intermediary" role, in order "to speed up communication between Parliament and the Corporations."⁴⁵) At the heart of this issue is the problem of accountability, one that has been well put by Webb:

"having fenced off the broadcasting authority against political interference, the public begins to wonder whether it has not fallen into the opposite error of divorcing power from responsibility - and so there is a hesitant, partial return to Ministerial control."⁴⁶

The principle of accountability to Parliament must apply, but the operative standard must be that the principle ensures a broader, more generalized, accountability, such as that envisaged in 1962 and in 1975. Of course this distinction will be difficult to maintain, for the same reasons that the boundary between

43. R.E. Coury to writer, October 8, 1975; P.A. Fabian to writer, May 19, 1976.

44. The Prime Minister, W.E. Rowling, N.Z.P.D., Vol. 397, p. 1214.

45. Ibid.

46. Webb, op. cit., p. 108.

responsibility for "policy" and for "administration" is difficult to determine. However, unlike the experience of the N.Z.B.C., parliamentary concern with day-to-day operational matters should be the exception rather than the rule. It is a difference of degree, but a difference whose emphasis makes it, in effect, a difference in kind. It means that as a trustee for the public interest the Board must be publicly responsible for its stewardship of the organisation's daily activities. (And that, in turn, requires restraint on its part as it determines its role vis a vis the professional staff.) As Tucker has suggested, "an endeavour should be made at all times to separate ownership from management".⁴⁷ Otherwise, particularly in regard to parliamentary questions, there is a danger that Parliament may become "a kind of shareholders' meeting in continuous session".⁴⁸ Neither the imposition of supervisory bodies like the Broadcasting Authority, nor the regular use of a minister as a channel of communication between the Corporation, Parliament and the public are appropriate substitutes for the direct public accountability of the Board itself. The former is undesirable because it undermines authority and confuses responsibility; the latter is detrimental to organisational independence because it establishes the need to match perceived responsibility with actual power.

Clearly, the task of fostering and maintaining independence - a very delicate and complex one - must depend ultimately on the personalities and attributes of those persons who are key players in the game. Nevertheless, the task is also dependent on certain procedural or constitutional arrangements. These are: the abolition of the ministerial portfolio of broadcasting, with broad parliamentary accountability retained in the hands of another minister—for example, the Postmaster-General; a discontinuation of the use of the appropriate minister as a channel of

47. W.H. Tucker, "Public Control of Statutory Corporations", Public Administration (Sydney), Vol. 13, 1954, p. 20.

48. Tucker, op. cit., p. 21.

communication between the Corporation and Parliament on day-to-day matters which should be dealt with by direct contact with the Corporation; and a more manifestly impartial and representative means of appointing Board members.

The corporation, on the other hand, may have to pay a price for its autonomy. As Seidman observes,

"Autonomy is two-edged. It means not only freedom from outside direction and control, but also exclusion from the 'official family' and close working relationships with top policy-making officials. These informal day-to-day associations afford an official the most favourable opportunity to influence policy determinations."⁴⁹

While it is the broadcaster's responsibility to measure his actions against the highest standards of objectivity, impartiality, and fairness, he also has to "obtain and retain official approval and protection if he wishes to carry on the business of broadcasting".⁵⁰ This problem was illustrated in the N.Z.B.C.'s case by its desire to operate the proposed second television channel. As testified by McKinnon and Sceats, there was a perceived need to tread a tightrope between its dependence on Government on the one hand, and its social responsibilities on the other. Moreover, the N.Z.B.C. had to become a lobbyist for its own interests: according to McKinnon, he had Government members "over for drinks" to try to impress upon them the strength of the Corporation's case for ownership and operation of a second channel.⁵¹ (In this endeavour he had support from the Minister of Broadcasting, H.J. Walker. Walker claims that he was able to persuade the Government caucus to support the granting of the second channel to the N.Z.B.C.⁵² The then Prime Minister, J.R. (Sir John) Marshall has confirmed that there was "substantial support" in the Government caucus for giving the second channel to the N.Z.B.C. It was felt that there would be insufficient advertising revenue available to render two

49. H. Seidman, "The Theory of the Autonomous Government Corporation: A Critical Appraisal", Public Administration Review, Vol. 12, No. 2, 1952, p. 94.

50. Anthony Smith, The Shadow in the Cave, op. cit., p. 140.

51. McKinnon to writer, May 8, 1976.

52. Walker to writer, June 30, 1976.

competing channels economically viable.⁵³ The Government also asked the N.Z.B.C. to consider having current affairs programmes on one of the channels contracted out to an independent producer.⁵⁴⁾

The price that the corporation pays for its autonomy must depend in large measure on whether it is financially self-sufficient or not. Throughout the period under discussion the N.Z.B.C. was financially self-sufficient, deriving the bulk of its income from licence fees and advertising revenue. Like the N.Z.B.S. before it (see Chapter 4), the Corporation had full autonomy in programme expenditure. However, as shown, the Corporation's large capital development commitments induced Government to retain a firm measure of control over this aspect of the organisation's financial management. If Government insists on retaining economic and financial controls over a self-sufficient corporation then it will have even more reason to impose control when the organisation finds it necessary to draw financial resources from the public purse. This could be seen in 1976, when the National Government reintroduced the broadcasting portfolio. As the new Minister argued,

"More than anything else the financial situation shows why Parliament needs to be closely tied in with what is going on in broadcasting. We need to have a Minister, who, day by day, works with broadcasting in its interests ... It was a mistake to remove the Minister."⁵⁵

By that stage, the capital development commitments of the public broadcasting system - the introduction of colour television, and the second channel, the completion of the television studio and administration complex at Avalon, together with radio development and re-equipping - had raised the Broadcasting Corporation's public debt to \$30,900,000.⁵⁶

53. Sir John Marshall to writer, July 6, 1976.

54. See The Evening Post, October 13, 1971.

55. N.Z.P.D., Vol. 408, p. 4388.

56. As at March 31, 1976, the Broadcasting Council of New Zealand had borrowed this amount from the National Development Loans Account for capital purposes - Annual Report of the Broadcasting Council of N.Z., March 31, 1976.

This suggests that there is a strong argument in favour of separating the programme functions of the broadcasting system from those of capital development. In this way, any inclination for a government to use its control over capital development as a means of influencing programmes may be obviated. Such a separation did occur under the 1973 legislation which made the Broadcasting Council - and not the three programme corporations - responsible for capital works. Under the 1976 Act, however, the Council's successor - the Broadcasting Corporation of New Zealand - is the central policy-making body for all public broadcasting activities.

The idea of such separation is implicit in the oft-quoted remark that "programmes are what broadcasting is all about; the rest is housekeeping". In other words, the "essence" of a broadcasting organisation - to use Halperin's concept⁵⁷ - is programme-making and presentation. (Whether or not the N.Z.B.C.'s essence was determined in favour of programming or engineering values will be discussed in Part Three.) In publicly-owned broadcasting, because this essence is judged according to such standards as objectivity, impartiality and the imperative to serve "as wide a range as possible of diverse interests", the "normal" values which underlie the operations of many other public corporations, and indeed of commercially competitive broadcasting, must take second place. Those values are efficiency and economy, which, unlike the others, are quantifiable and may be applied readily to capital expansion tasks. One of the major problems of the N.Z.B.C. was that the Government's rightful concern with efficiency and economy (economic management) undermined - or, at best, appeared to undermine - the N.Z.B.C.'s capacity to promote the true values of public broadcasting.

It was this tension which nourished the power struggle between the Minister, the Board, and the Director-General. This, in turn, impinged heavily on the capacity of the N.Z.B.C.'s leadership to provide and maintain the sense of organisational mission which was

57. See footnote 23.

necessary for a newly-established organisation, and one which - more importantly - was charged with developing a form of public service (news and controversial broadcasting) virtually unprecedented in New Zealand and bound to have major political, social and organisational implications. This aspect will be examined in Part Three. Suffice it here, by way of introduction, to make some brief comparative comments on the N.Z.B.C. and the B.B.C.

Adams-Schneider once argued that,

"The N.Z.B.C. has every bit as much independence as the B.B.C. has ... The B.B.C. has a charter and as soon as that charter starts to operate for a five-year period the parties, the B.B.C. and the Government, start to argue about the next charter. The N.Z.B.C. has a permanent charter in the Act." 58

The Minister went on to point out that in Britain, the Postmaster-General had "very definite powers over the B.B.C." However, this argument ignored the difference between ascribed and achieved independence. For while the Postmaster-General (the appropriate Minister is now the Home Secretary) retained strong de jure powers over the B.B.C. - he could, for example, veto the transmission of any broadcast⁵⁹ - by convention these were not used. "The broadcasting organisations (B.B.C. and I.T.A.) are independent and are recognised to be so by all but a tiny minority of citizens."⁶⁰ Wedell ascribes the reason for this convention to the fact that Governments who might be tempted to use these powers also recognise that they will one day be in Opposition. (Probably for the same reason, the Government of New Zealand during the 1960s refrained from issuing written directives under Section 11.) However, this de facto independence was also achieved through the leadership provided by, in particular, its first Director-General, J.C.W. (later Sir John, and Lord) Reith.

58. N.Z.P.D., Vol. 358, p. 3159

59. See E.G. Wedell, Broadcasting and Public Policy, op.cit., p. 75.

60. Ibid (p. 76).

The de facto independence fostered by Reith's leadership was later consolidated by his successors. It is beyond the scope of this thesis to attempt any detailed examination of Reith's leadership, or that of his successors.⁶¹ Nor is it necessarily valid to try to compare the capabilities and styles of the Directors-General of the B.B.C. and the N.Z.B.C. Differences in the respective political and social cultures, not to mention organisational histories, would make this an invidious task. It can be stated, however, that in both cases the calibre of the chief executive was a critical factor in determining the extent to which the respective organisations could achieve the de facto autonomy necessary for the fulfilment of the values of public service broadcasting. As Peres argues, following Webb,⁶² the ability of the executive to preserve (organisational) character "in the face of critical incidents" depends "exclusively on the competence

and the courage of the men chosen to lead (it) - men who (are) not prepared to trade-off control over those incentives critical to organisational character. Webb's conclusion may be translatable into the jargon of theory, but theory cannot improve upon it."⁶³

Significantly, the Director-General of the B.B.C. has always been appointed by the Board of Governors, not by the Government. But corporate "subordination" to the Board of Governors did not prevent the Director-General from providing the professional leadership required for the promotion of organisational identity and mission.⁶⁴

61. Said Reith, in respect of the Whitley Document (see footnote 57, chapter 7): "Till I left the B.B.C. this document was read by Postmasters-General to all governors on appointment. As it gave me so much I was able to offer it all back; in particular to maintain that the director-general had no de jure authority whatever." - J.C.W. Reith, op. cit., p. 156. For an authoritative account of Reith's influence on British broadcasting, see Asa Briggs, The History of Broadcasting in the United Kingdom, Vols. I and II, Oxford University Press, 1961.

62. Webb, op. cit.

63. Peres, op. cit., p. 370.

64. See, for example, Briggs, op. cit.; Anthony Smith, The Shadow in the Cave, op. cit., p. 144.

In the N.Z.B.C.'s case, Stringer perceived that the broadcasters' professional autonomy, of which he was the protector, was seriously endangered by the unwillingness of the Board to confine itself to its "proper" role. (When asked, on his retirement, whether the N.Z.B.C. could continue to withstand political pressures, he responded, "You ask the Chairman that one".⁶⁵) But while Stringer was a determined fighter for the protection of the organisation's professional integrity, the years of the N.Z.B.C. were characterised by a failure of leadership in areas critical to the achievement of a stable measure of organisational autonomy.

65. Salient (Victoria University of Wellington), August 5, 1970.

PART THREE : THE PROBLEM OF ADMINISTRATIVE LEADERSHIP

CHAPTER FOURTEEN: Administrative Accountability and Professional Autonomy

The first major programming decision of the newly-established Corporation was to set up its own independent and comprehensive broadcasting news service.¹ The news service developed rapidly. In May, 1967, Stringer noted that

"the growth of the news service has been, apart from the expansion of television over the country, the most spectacular development in New Zealand broadcasting since the first days of the Corporation."²

The development of current affairs broadcasting was more circumspect. The Corporation decided in 1963 that a series of half-hour studio discussions on political topics should be introduced into the television programme schedule. It was stipulated that the series was "to conclude before the election campaign commences on radio and television, and that the topics are to be chosen so as to avoid questions which are likely to become party issues."³ It was not until 1967 that a separate current affairs section was established by the N.Z.B.C. The new section introduced the daily "Checkpoint" programme on radio. Prior to that there had been no daily current affairs programme except for the 10-minute "News Review" run by the newsroom. None of the established current affairs programmes - "Point of View", "Lookout", "Looking at Ourselves" - provided day-to-day comment. In television, the programme which heralded a more investigative and aggressive examination of current issues, "Gallery", was introduced in 1968 as a once-weekly look at events in Parliament. The introduction of a national link late in 1969 facilitated "live" transmission of the programme which was then broadcast twice a week.

1. N.Z.B.C. Board Minute, April 2 and 3, 1962.
2. Relay, May, 1967.
3. N.Z.B.C. Board Minute, April 23 and 24, 1963.

The advent of Corporation control thus coincided with the emergence of a field of professional broadcasting endeavour hitherto only weakly established in New Zealand. This factor had important implications for the organisation's search for autonomy, for it impinged upon the interests and expectations of four principal sets of actors: politicians, in particular Parliamentarians whose day-to-day activities would (presumably) be subject to a more intense public scrutiny; the top N.Z.B.C. administrators who were responsible for the manner in which this new professional task was conducted, and for the reconciliation of a wider range of organisational objectives; the professional news staff themselves; and the listening and viewing publics. Relationships between the first two sets have been examined in Part Two, and the interactions between the public and the N.Z.B.C.'s administration will be dealt with in Chapter 17. This chapter examines the tension that existed within the N.Z.B.C. between the top administration and the news and current affairs staff.

It can be emphasised from the outset that relationships between the top administration and the journalistic staff were continually characterised by a strong sense of mutual suspicion.

In 1966, the President of the New Zealand Journalists' Association criticised Stringer for his "inability to grasp the role of journalists in the gathering and dissemination of information to the public..."⁴ A university lecturer charged that if the N.Z.B.C. was not getting directives from Government then its "timidity was unbelievable". There was, he claimed, a "continuous fight" between producers and the people above them.⁵ The following year a current affairs producer announced his resignation from the N.Z.B.C. alleging,

4. Reported in The Press, October 5, 1966.

5. Dr. R.J. Harrison, reported in The Dominion, October 4, 1966. A senior lecturer in political science at the Victoria University of Wellington, Harrison was a freelance member of the television current affairs programme, "Compass".

"a basic lack of understanding of the creative role among N.Z.B.C. executives There is always a stack of subjects to do - but getting approval and then organising them wears one down."⁶

In 1971, television current affairs interviewer, Brian Edwards, said he would sack the top echelon of the N.Z.B.C. if he had the chance: "the policy of the N.Z.B.C. was not to initiate controversy...."⁷ The same year, the Radio and Television Journalists' Society complained that they were disappointed that the Corporation had not allowed an N.Z.B.C. journalist to appear on television with the Minister of Defence to answer the Minister's charge of a "lack of integrity" in television coverage of the Vietnam War.⁸ In 1969, a member of the "Compass" team was dismissed by the N.Z.B.C. after refusing to make changes in a programme script or to "voice" the script after alterations had been made by another member of the team.⁹ In 1968, a producer of the radio current affairs programme "Checkpoint" was dismissed from the N.Z.B.C. after refusing to sever his connection with a Vietnam conference.¹⁰ In 1969, another "Checkpoint" producer was publicly involved in a similar dispute with the Corporation.¹¹ As well as these instances, the tension between the journalists and the administration was apparent in incidents already mentioned during the course of this thesis, for example, the MacLeod affair, the "Compass" programme on the Broadcasting Authority Bill, and the rejection of "The Brian Edwards Show" pilot programme.

No attempt is to be made here to try to evaluate the pros and cons of these incidents. Rather, it is argued that this history of discontent rested on the failure of both groups to understand the organisational needs of the other. The professional group was reluctant or unable to comprehend the political and administrative constraints acting upon top management; and the management, in turn, failed to provide a sense of direction which could have established and sustained the professionals' confidence in the management.

6. Reported in The Evening Post, September 14, 1967.
7. Reported in The Auckland Star, April 26, 1971.
8. Reported in The Evening Post, May 13, 1971.
9. Reported in The Dominion, September 20, 1969.
10. Reported in The Evening Post, March 2, 1968. He was Alister Taylor.
11. Reported in The Sunday Times, August 23, 1970. The producer, Barrie Saunders, was required to give up the editorship of the university magazine, "Focus".

Part of the problem was the fact that virtually all the journalists recruited by the Corporation in the formative years of the news service were from newspapers.¹² Also, the establishment by this group of professional identity and standards had to proceed - because of the N.Z.B.C.'s monopoly - within the organisational context provided by the Corporation. This factor may not have been so important had the N.Z.B.C.'s leadership not been so apprehensive about the abilities of their news and current affairs staff to cope with the demands of broadcasting journalism. Something of a vicious circle existed: the journalists had to try to develop their professional standards within the N.Z.B.C.'s organisational framework, while the management was acutely concerned about the possible deleterious effects on the new organisation of the mistakes that were likely to be made in the process. As the B.B.C.'s James Kemp (who examined the N.Z.B.C.'s news service in 1964) commented:

"I found both (the Director of Sound Broadcasting and the Director of Television) in favour of broadcasting news bulletins originated by the Corporation but understandably apprehensive about the new venture. The same apprehension I found among the administrative staff and in both instances it is obvious that apprehension sprang from the fact that broadcasting was so recently part of the Government service Much of the apprehension arises from some of the weaknesses of the existing service and sprang from sometimes relatively small, but important, matters over which news staff had applied standards not in keeping with those laid down by, and implicit in, the Broadcasting Corporation Act of 1961."¹³

According to Kemp, there were instances which indicated

"an attitude of mind on the part of the news staff which is more typical of newspaper journalism of the less responsible type than of that practised by the employees of a public corporation."¹⁴

Stringer was largely antipathetic towards the journalists. It was at his request that Kemp was brought to New Zealand and, as discussed in Chapter 10, the subsequent creation of the post of Controller of News and Public Affairs reflected the Director-General's lack of confidence in the Editor of the News Service,

12. This, of course, was a matter of necessity.

13. James Kemp, N.Z.B.C.'s News Service : Report and Recommendations, p. 3.

14. Ibid (p. 5).

R.E. Coury, who had gained the job in 1961 on appeal. Stringer told a meeting of the Central Regional Programme Advisory Committee in 1965 that there was a "serious shortage of trained radio news journalists in New Zealand."¹⁵ This view was shared by Waldo Maguire when interviewed at the end of his year's secondment to New Zealand as Controller of News and Public Affairs.¹⁶ In Stringer's mind this lack of training posed a threat to the N.Z.B.C. He recalls that there were

"several reasons for the breakdown of the N.Z.B.C. Some are constitutional, some are management, but our biggest programme breakdown was the fact that we could not develop our own radio journalists. We were forced to hire newspaper journalists. They brought with them different standards - the standards of the press Their poor workmanship led to the N.Z.B.C. being caught in the political field ..."¹⁷

Stringer, in short, was concerned about the problem of journalistic discretion. The broadcasting administrator shares with the police administrator the task of trying to control the extent of the discretion necessarily exercised by the journalist working on a "story", and by the policeman working on the beat.¹⁸ Stringer's successor, Sceats, also held serious misgivings about the calibre and attitudes of the news staff. In his view,

"the only people the journalists would take any notice of were those christened in printer's ink. If I had taken a course at the Polytechnic in journalism I would perhaps have been accepted Sometimes when I would ask for information about an item which I might have heard myself I would be greeted with the question, 'What do you want to know for?' ...The biggest shortcoming of the journalists was immaturity."¹⁹

Yet despite their misgivings both Stringer and Sceats also had a responsibility to try to protect the operational independence of the broadcasting staff, including - and in particular - the journalists.²⁰ The encroachment of the Chairman and

15. Minutes of Central Regional Programme Advisory Committee, November 26, 1965.

16. Reported in N.Z. Listener, February 18, 1966.

17. Reported in The Auckland Star, April 26, 1971.

18. See James Q. Wilson, Varieties of Police Behavior, Atheneum, 1974, esp. pp. 71-5.

19. Sceats to writer, May 21, 1976.

20. This, of course, was acknowledged. See Stringer's comments, especially in chapters 6 and 7. According to Sceats (to writer, May 21, 1976), "there was no greater upholder of the need for journalistic objectivity than myself."

the Board was, as shown in Part Two, a major source of tension between Stringer and his corporate superiors. Ironically, however, the journalists did not respect either Stringer or Sceats as professional broadcasting colleagues. To use Peabody's terminology, both men enjoyed the authority of position in regard to the journalistic staff, rather than the authority of competence.²¹ Neither were, or had been, journalists themselves. Stringer, in particular, had always been an administrator, and had not been closely identified with the efforts of J.H. Hall and J.H.E. Schroder - two journalist-administrators - to establish broadcasting's own news service (see Chapter Two). His propensity, therefore, to identify himself as the "editor-in-chief" tended to exacerbate the antipathy that existed between himself and the journalists.²² (According to Stringer, the responsibility for ensuring that the Corporation's statutory obligations were carried out in regard to news and public affairs rested

"fairly and squarely on the Director-General, in his capacity as Editor-in-Chief ... on highly important matters it is not only the right, but the duty, of the Director-General to satisfy himself that the item will be broadcast in what he regards as the correct form."23)

Stringer's desire to retain for himself an operational editorial function - for example, any current affairs programmes on broadcasting matters or containing pre-General Election comment had to be referred to him personally before being broadcast²⁴ - was

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21. R.L. Peabody, "Perceptions of Organizational Authority : A Comparative Analysis", Administrative Science Quarterly, March, 1962.
 22. According to the then Editor of Current Affairs, B.G. Broadhead (to writer, August 12, 1976) his staff was continuously suspicious of the hierarchy: "the smell of political pressure was always present".
 23. Relay, February, 1965. See, too, similar comment by Stringer, reported in the N.Z. Herald, October 4, 1966. The concept of "Editor-in-Chief" was borrowed from the B.B.C.: "Reith's original concept provided for the devolution of power from the Director-General downwards in the same manner as that in which the Director-General expected the Governors to devolve power to him. 'Just as the Governors had de jure authority and the Director-General de facto power in the structure of the B.B.C. as a whole, so the Director-General had de jure authority and the Controllers de facto power in the internal workings of the administration.'" - E.G. Wedell, Broadcasting and Public Policy, op. cit., p. 145.
 24. B.G. Broadhead to writer, August 12, 1976.

perfectly rational when viewed in the light of the pressures that were operating on him. His principal shortcoming was not that he mistrusted the journalists (this may or may not have been well-founded) but that he failed to establish adequate credibility in the eyes of a growing professional group whose appreciation of what was required of organisational leadership was far more narrowly defined than, of necessity, was his own. Thus, just after the Corporation had taken its decision to establish the news service, he publicly countered any expectation that there would be a new freedom under the N.Z.B.C. He did not agree that controversy was at its best on the air: in many respects he thought the written word was a better vehicle for the clash of issues than the spoken one.

"We have more controversy on the air already than any other country in the world, for the simple reason that we broadcast Parliament. Most things of public importance are pretty well argued there."²⁵

Such comment displayed no appreciation of the particular strengths of either television or radio as media for the airing of public issues. Nor could it have helped to promote the journalists' confidence in their chief executive. Two years later, Stringer commented publicly that he "made no apologies for the fact ... that whenever we're in doubt about a particular programme ... we play it safe."²⁶ "Play it safe" meant, in particular, an ultra-cautious interpretation of the statutory obligation to preserve "a proper balance" in programmes,²⁷ an interpretation which could be seen - as in the Bick affair - to enable interested parties to exert, in effect, a veto over particular programmes.²⁸ According to Stringer,

25. Reported in the N.Z. Listener, May 4, 1962.

26. Reported in The Evening Post, June 3, 1964.

27. Broadcasting Corporation Act 1961, Section 10(2)(b). See L. Cleveland, "The N.Z. Mass Media System: Problems of Broadcasting", Political Science, Vol. 22, No. 1, 1970 (esp. pp. 43-49) for a detailed discussion of the N.Z.B.C.'s interpretation of its responsibilities under Section 10.

28. In October, 1966, a television "Compass" programme, investigating possible price rises that would result from the change-over to decimal currency, was postponed by the Director-General (until a date beyond the November General Election) because representatives of the Decimal Currency Board were not available to present their views. (The Under-Secretary of Finance, R.D. Muldoon, argued that he had been unable to appear on the programme because there was a pre-election ban on the appearance of candidates on television. Nor did he feel able to authorise any of the D.C.B. officers to appear in his place.) The producer of "Compass", Gordon Bick, resigned from the N.Z.B.C. in protest at the decision, claiming it resulted from political interference.

it was all very well to argue that the N.Z.B.C. was too timid in its approach to controversial broadcasting, but "you lead with the Director-General's head on your plate."²⁹

Sceats, in similar vein, was disturbed during the 1960s by a belief amongst many staff that constitutionally the N.Z.B.C. was entrenched, that compared with the days of departmental administration, the Corporation could operate beyond the reach of the politicians. Sceats saw that this was an erroneous view: "the Corporation was a creature of statute. As such, it could be abolished by the stroke of a pen."³⁰

This was the reality with which both Stringer and Sceats had to live. Their accountability naturally bred circumspection. The problem has been well put by one writer on Parliamentary democracy:

"Civil servants cannot afford to be imaginative or enterprising, because they must always be prepared for a parliamentary question on any decision they make, and are therefore encouraged to be cautious and hide-bound. Accountability is a form of quality control. We avoid the really bad, but have to forego the really good."³¹

It can be argued of course that this need not be the case: indeed, effective administrative leadership demands a continuing reconciliation between the pressures of accountability and the need to adjust the "appreciative setting" within which legitimate action is understood. In the case of the N.Z.B.C. this capacity for leadership was lacking. The five administrators who were in critical leadership positions were all long-standing public servants. Apart from Stringer, there were Sceats, who was Director of Sound Broadcasting, then Deputy Director-General, then Director-General; N.R. Palmer, formerly the N.Z.B.S.'s Assistant Chief Engineer, then the N.Z.B.C.'s Director of Television, and later a Regional and an Executive Director; M.A. Rickard, who was Head of Sound Programmes, then

29. Stringer to writer, July 13, 1976.

30. Sceats to writer, May 21, 1976.

31. J.R. Lucas, Democracy and Participation, Pelican, 1976, p. 84.

Executive Director with overall (radio and television) programme responsibility; and T.F.A. Shankland, a former radio station manager under the N.Z.B.S., who became Controller of Television Programmes under the Corporation. Importantly, they had all been officers in a broadcasting organisation which, until 1962, had not had within its ranks a large body of journalists whose professional values could be expected to conflict with the imperatives of bureaucratic control. As Lucas comments,

"A permanent official in a position of power has been a full-time official for a very long time and has succeeded in the race for promotion largely by virtue of internalizing official attitudes of mind with exceptional success. It is difficult for him to see things from an outsider's point of view or to remember what it was like not to know all the things officials know." ³²

Serious tensions between the administration and the journalists appeared early. Searching for professional identity and recognition, the journalists in 1963 formed the Radio and Television Journalists' Society. The new body did not wish to be represented by the Public Service Association, but wanted the N.Z. Journalists' Association to be recognised as the negotiating body on staff conditions for broadcasting journalists. The Corporation did not agree. ³³ The administration, undoubtedly conscious of the potential problem of having to deal with a whole host of separate staff groups, preferred to view the journalists as ordinary staff members, subject to normal control procedures. This was a reasonable attitude viewed in light of the "owner's" right to hire and fire. But it stressed accountability based on hierarchical control rather than on professional integrity, ³⁴ and thus drew the battle lines between the journalists and the administration.

32. Ibid (p. 145).

33. N.Z.B.C. Board Minute, February 16 and 17, 1965.

34. Says V.A. Thompson (Modern Organisation, Knopf, 1961, p. 6): "... modern bureaucracy attempts to fit specialization into the older hierarchical framework. The fitting is more and more difficult. There is a growing gap between the right to decide, which is authority, and the power to do, which is specialized ability. This gap is growing because technological change, with resulting increase in specialization, occurs at a faster rate than the changes in cultural definitions of hierarchical roles. This situation produces tension and the unwillingness to co-operate."

The administration's attitude towards the journalists' proposals was, in fact, consistent with its inclination to ensure control by stressing what M.P. Smith calls the "be a team player" strategy.³⁵ The Director-General's monthly message to staff, conveyed in the house magazine Relay, contained frequent references to the notion of an organisational team. For example,

"By 'broadcasters' I mean all who work for the N.Z.B.C., in whatever capacity. Whether we be programme officers, technicians, announcers, typists, accounts staff, radio and television journalists, administrators, or fill any of the other roles that are too numerous to mention here - we are all broadcasters by virtue of our membership of this big and influential and important 'body corporate'. For our own sakes we must always think of ourselves in these terms. We must not only do our own jobs well but also relate them to the activities and organisation as a whole..."³⁶

This is a unitary conception of the organisation which stresses, in effect, the managerial need for certainty and control over the professional demand for autonomy. Unsurprisingly, the "team" perspective was not shared by all staff. In August, 1964, Stringer complained in Relay that he was "concerned about recently published material which carries evidence of careless - or, I'm sorry to say, downright disloyal - talk from N.Z.B.C. sources." Staff were reminded of their obligations under Clause 5 of the Staff Contract.³⁷ According to both Stringer and Sceats, such instances were not rare. Stringer has maintained that journalists were the main source of published material that was detrimental to the N.Z.B.C.'s image and to its political relationships. In particular, the Bick affair received prominent newspaper coverage because, in Stringer's view, broadcasting and newspaper journalists were in daily social contact: "they all used to drink together."³⁸ Sceats has referred to staff members "selling out" on the N.Z.B.C.³⁹

35. M.P. Smith, "Barriers to Organizational Democracy in Public Administration", Administration and Society, Vol.8, No.3, 1976. According to Smith (p.291), the strategy is commonly used to cope with "threatening internal innovations" - in this case, the growth of news and current affairs broadcasting? - and stresses the need for internal loyalty.

36. Relay, October, 1963.

37. Relay, August, 1964. Clause 5 of the Staff Contract prohibited the unauthorised disclosure by staff of information about the N.Z.B.C.'s affairs.

38. Stringer to writer, October 7, 1975.

39. Sceats to writer, May 21, 1976.

Journalists' grievances mentioned in this chapter do suggest that they generally received a sympathetic ear from their newspaper colleagues. But it is doubtful whether these difficulties could ever have been overcome simply by managerial insistence on a "tight ship". The problem was more deep-seated, stemming from, on the one hand, the leadership's responsibility to define the public interest - as it was required to do by the Act - and, on the other hand, from the journalists' preoccupation with their professional standards and norms. This dilemma was apparent in the Bick affair. The Director-General was preoccupied with the statutory need for "balanced" programmes, an objective which, it was determined, would appropriately be served by having "balance" within programmes rather than over a period of time. The Director-General's interpretation of how best to serve the public interest may have been too cautious; but it was, nevertheless, his responsibility to make that interpretation - irrespective of how he might make it. On the other hand, the journalists were concerned with the professional values of a "good story", particularly one which - as they saw it - would serve the public interest by being screened immediately, with "balancing" comment to be supplied later. They also defined the issue in terms of the traditional values of press freedom, values which in this case could justly be seen to conflict with the statutory responsibilities imposed upon the N.Z.B.C.'s management.

There is little doubt that this major public conflict was intensified by the fact that Stringer found it difficult to empathise with the perspectives brought to bear by the journalists. He lacked confidence and trust in them, in large part because he was unable to understand their professional expectations. The fundamental problem for the N.Z.B.C. was one which, as Thompson and others point out, impinges upon administrators in an increasingly professionalized occupational environment : in short, organisational control versus professional autonomy.⁴⁰ Burns has observed

40. See, too, A.W. Gouldner, "Cosmopolitans and Locals", op. cit.; and P. Blau and W.R. Scott, op. cit.

the same difficulty in the case of the B.B.C. He notes that the increasing salience of professional occupations marks

"the transition of broadcasting from an occupation dominated by the ethos of public service, in which the central concern is with quality in terms of the public good, and of public betterment, to one dominated by the ethos of professionalism, in which the central concern is with quality of performance in terms of standards of appraisal by fellow professionals; in brief, a shift from treating broadcasting as a means to treating broadcasting as an end."
(Emphasis added.)⁴¹

As M.P. Smith comments, public managers feel constrained to satisfy a multiplicity of needs, for example,

"the need to secure executive and legislative support; the need to deal with the scrutiny of the mass media; the need to establish working clientele relationships with organised interest groups; the need to deal with a variety of unorganized demands."⁴²

This was especially true in the case of the high-profiled N.Z.B.C., which was simultaneously responsible for, among other things, extending the recently-introduced television service throughout the country, establishing a degree of political independence where none had been seen to exist before, and developing a comprehensive news and current affairs service, and which sought also to acquire control of the proposed second television channel. Clearly, the conflict which could grow out of these simultaneous objectives placed considerable demands on the organisation's leadership. The tensions created by these objectives both induced and were exacerbated by the triumvirate's power struggle described in Part Two.

41. Tom Burns, op. cit., p. 125.

42. M.P. Smith, op. cit., p. 289.

From the perspective of administrative leadership the efforts of the N.Z.B.C.'s top management were grossly inadequate. The tension among the imperatives of hierarchical control, the need to serve a multiplicity of objectives, and the impulse towards professional autonomy must, as Barnard suggests, be mediated by the inculcation of organisational purpose (Selznick's mission). According to Barnard,

"willingness to cooperate cannot develop without an objective of cooperation The necessity of having a purpose is axiomatic, implicit in the words 'system', 'coordination', 'cooperation' A purpose does not incite cooperative activity unless it is accepted by those whose efforts will constitute the organization."⁴³

The appeals for teamwork were empty without the inculcation of a belief in the purposes of such cooperation. As Barnard suggests, loyalty cannot be bought; it must be earned.⁴⁴ However, the difficulty was that, in general, broadcasting staff find their gratifications in individual or small-group expression rather than in membership of a vast impersonal team. (Picard has depicted the value system of such people in the following terms: imagination and instinct; intuition on the spur of the moment; impulses - automatic response; individual choice; freedom from all constraint; highly individual and involving emotions - personal work; and independence and freedom of action.⁴⁵) Thus,

43. Chester I. Barnard, op. cit., p. 86.

44. Ibid (pp. 220-21).

45. Laurent Picard, "Management Problems in Broadcasting", Combroad (Commonwealth Broadcasting Association, London), July-Sept., 1975, p. 4.

the task of instilling a sense of purpose within the N.Z.B.C. was both more necessary and more difficult.

The N.Z.B.C.'s top management responded to the difficulties in a manner that tended to be "bureaupathic" ("excessive aloofness, ritualistic attachment to routines and procedures, and resistance to change ... (and) ... a petty insistence upon rights of authority and status "⁴⁶), rather than aimed at modifying the internal appreciative setting in order to establish a sense of organisational direction blending the organisational goals of public service with the journalists' professional values and expectations. This represented a failure to promote what Clark and Wilson call purposive incentives. These are

"intangible (and) are to be found in the suprapersonal goals of the organisation The end system is deeply implicated in the incentive system of the association."⁴⁷

This failure was apparent not only in the empty concern for team-work (backed up by reminders about provisions in the Staff Contract), and in Stringer's inclination to stress his role as "editor-in-chief", but, more importantly, in the administration's propensity to adopt a formalistic interpretation of the N.Z.B.C.'s purposes. Little attempt was made to translate the symbolic categories of "good taste", "decency", "proper balance", "impartiality", and "the public interest" into an explicit philosophy which drew its strength from an appreciation of the complexities of the organisation's social responsibilities. (At least this was so until about 1970, as will be shown in the next

46. V.A. Thompson, op. cit., pp. 152-3.

47. P.B. Clark and James Q. Wilson, "Incentive Systems : A Theory of Organisations", Administrative Science Quarterly, Vol. 6, 1961, pp. 129-166. Say Clark and Wilson: "When used in this paper the word purposes refers to explicitly stated substantive goals, which are suprapersonal (i.e. they will not benefit members directly and tangibly) and which have non-members as their objects ... It will be noted that purposes are heavily future-oriented It is also important to distinguish between the incentive provided by loyalty to an organization (as a concrete entity) and the incentive provided by belief in the organization's purposes. The former (which is often consciously fostered) is here regarded as a solidary incentive. Loyalty to an organization's purposes is certainly analytically distinct from loyalty to the actual organization. In many cases it is also concretely distinguishable as when, for example, people choose to leave an organization which they believe is no longer fulfilling its ostensible purposes."

chapter.) Instead, the Act was referred to as though the meaning of these concepts was self-evident and not susceptible to differing interpretations.⁴⁸

Both the then Editor of N.Z.B.C. Current Affairs, B.G. Broadhead, and the then producer of the television current affairs programme, "Gallery", D. Monaghan, have confirmed that little guidance was given by the top executives as the guiding operative principles of current affairs broadcasting were developed.⁴⁹ This shortcoming could be accounted for, as already suggested, by the fact that none of the top personnel (apart from the seconded Waldo Maguire) had any journalistic background. Beyond that, however, it reflected a more fundamental intellectual insecurity. Holcroft has captured this in his description of Stringer:

"(he) never ceased to learn; he was in touch with good minds, and he absorbed an aura of wisdom, even if he did not always get the substance ... Yet ... he had a firm grip of affairs ... He knew the practice and skills of broadcasting, and knew them thoroughly; but he was less at home in that shadowy region where practice leans upon values and skill becomes an art."⁵⁰

48. See, for example, Relay, November, 1970, in which Sceats' speech on "Violence on Television" is recorded: "The N.Z.B.C. regards the whole question of taste in a most serious light. Indeed it is required to by Act of Parliament ... (it) is required to ensure that 'nothing is included'..." etc. See, too, N.Z. Herald of March 15, 1972, in which Sceats refers to the Corporation's "statutory obligations" in defence of a decision to ban references to political topics on "talk shows" during an election year. In the Timaru Herald, of January 21, 1971, the Public Relations Manager, in justifying editorial control within the N.Z.B.C. commented that "this vetting process is always necessary to ensure that ... the provisions imposed upon the N.Z.B.C. under Section 10 of the Broadcasting Corporation Act are not contravened." Major-General McKinnon replied to National Party allegations of programme bias by asserting that, "The N.Z.B.C. is required by law to maintain a balance and impartiality in its programmes". (N.Z.B.C. press release, July 26, 1970.) The Public Relations Manager in a statement of September 1, 1972, pointed out to the Editor of the Waikato Times that, "the N.Z.B.C. operates under the provisions of the Broadcasting Corporation Act which lays down statutory obligations.... in particular Section 10, subsection (2)...." It is noteworthy that even at this late stage in the N.Z.B.C.'s existence the Act remained a principal device for self-justification.

49. Broadhead to writer, August 12, 1976; Monaghan to writer, July 15, 1976.

50. M.H. Holcroft, Reluctant Editor, op. cit., p. 188.

Moreover, and importantly, Stringer "was not really articulate, and public speaking was obviously painful for him."⁵¹ Or, in Stringer's own words, "I am a sportsman, not an intellectual."⁵²

Sceats, perhaps more so than Stringer, was antipathetic towards the journalists. Kemp noted in his report that,

"The Editor complained of interference in the News Service by the Director of Sound Broadcasting. He felt strongly that there was some interference with his editorial judgements and controls of staff - that he as Editor was not given the status which he felt was essential to the proper carrying out of his duties."⁵³

According to Sceats, the biggest problem with the journalists was their immaturity. He was ill at ease with the changing social and political attitudes of the 1960s. It was, for him, a time of "the revolt of youth; youth for youth's sake." Wisdom, expressed through the intuition of experience became, in his view, unjustly downgraded. This belief strongly coloured his attitude towards the journalistic staff.

Sceats' capacity to lead was diminished by the increasingly executive role adopted by the Board. But McKinnon, as virtually a full-time Chairman, displayed little inclination or ability to fill the leadership vacuum. As a former army officer he had an image problem among the journalists who, according to former Editor, P.A. Fabian, tended to stereotype him as a pro-National Party, conservatively-minded soldier.⁵⁴ In their eyes he lacked credibility as the head of a public broadcasting corporation. (This image was not confined to broadcasting journalists: the Editor of The Tablet commented in a public exchange with McKinnon that,

51. Ibid.

52. Stringer to writer, July 13, 1976.

53. The Kemp Report, op. cit., p. 5.

54. Fabian to writer, May 19, 1976.

"Instead of trying to confine The Tablet to barracks, the General and his subalterns would be better advised to look hard at whether the Board is meeting (its) responsibilities and ... giving leadership and support to the very fine body of journalists and broadcasters who make up the working echelon of the N.Z.B.C."⁵⁵

Their bureaupathic tendencies suggested that the N.Z.B.C.'s top administrators were unable to grasp the distinction between de jure and de facto authority (authority of position and authority of competence), that they failed to see that "the power resources of an administrator or an agency are not disclosed by a legal search of titles and court decisions or by examining appropriations or budgetary allotments,"⁵⁶ and that they did not understand that, as Selznick points out, the critical task of leadership is the promotion of "key values" to transform the organisation - a technical device - into an institution valued not just for what it does, but also and primarily for what it is.⁵⁷

The MacLeod affair is one case that illustrates the failure of leadership. As shown in Chapter 10, MacLeod's resentment at the Chairman's apparent inability to respect his (MacLeod's) professional integrity led to the final (bureaupathic) insistence by the Board that it stand on its rights and fire the Editor.

The case, however, also illustrates the problem of organisational "bureausis", which was the obverse side of the coin of failed leadership. Thompson describes bureausis as follows:

"Within the organisation, the bureautic manifests ... suspiciousness of the motives of others. People are 'out to get him'. ... He cannot understand the reasons for many regulations and procedures, does not bother to familiarise himself with them, and constantly violates them... He insists on personalizing all relationships. To him the organisation is a great battleground between his friends and him, on the one

55. The Tablet, January 10, 1973.

56. Norton Long, op. cit.

57. P. Selznick, op. cit.

side, and 'the rest', his enemies, on the other. He tends to lose sight of the organisation as an instrument for accomplishing goals, as a structure of instrumental functions and relationships."⁵⁸

MacLeod's intense suspicion of the Corporation's hierarchy may be seen, at least in part, as a bureautic response. It epitomised the tension that may often be found between the administrator and the professional. As Blau and Scott point out, the higher the professional commitment the greater the propensity to deviate from administrative rules and procedures.⁵⁹ And the greater, perhaps, the tendency to respond bureautically to the imperatives of administrative control. Sceats, for one, encountered this difficulty among the journalists:

"There's a fraternalism among journalists that automatically suspects those in positions of authority ... But when something goes wrong and there is a breach by a journalist, it's not the journalist who carries the can but the administrator. And if the administrator sees something that is going to happen and has the temerity, as far as the journalist is concerned, to ask how it is going to be handled, he would be accused of interfering. But when the thing does blow, the administrator has to defend the people who object to you protecting them before the event occurs."⁶⁰

If the N.Z.B.C.'s leadership was unwilling or unable to understand the expectations of the journalists then the converse was also true. There is little or no evidence to suggest that the journalists were even aware, for example, of Stringer's efforts to resist the encroachment of the Board. While this struggle might to some extent have been motivated by considerations of personal power and status, it was nevertheless considered by him to be essential to the preservation of the professional integrity of broadcasting staff. Indeed, it was ironical that Stringer, his mistrust of the journalists' competence enhanced by the Kemp Report, was trying in effect to protect the journalists from themselves, knowing that the Board was seeking to pay closer attention to the news service.

58. V.A. Thompson, op. cit., pp. 175-6.

59. P. Blau and W.R. Scott, op. cit., pp. 72-74.

60. Sceats to writer, May 21, 1976.

The tension that inevitably exists between a broadcasting administration and its creative staff is potentially a positive force. Under conditions of bureaupathology and bureausis, however, it becomes negative, destructive of staff and public confidence in the organisation - or, in Selznick's terms, destructive of the process of institutionalization. This destructive potential is reflected in evidence given to the 1976 Parliamentary Select Committee on Broadcasting by the New Zealand Television, Radio and Screenwriters' Guild. It saw the former N.Z.B.C.'s administration as

"an administration peopled by men ... who had not, in their entire lives, made a television programme ... For all its faults, the creation of two television channels and Radio New Zealand produced a less timid broadcasting service. It did one other marvellous thing: because we do not fire people in this country for incompetence, it deftly moved the old N.Z.B.C. administration into the Broadcasting Council, where their impotence became a virtue, not a vice, and for the first time in the broadcasting history of this country programmes became more important than accountants or public service time-books ... There is simply no future for writers or anybody else who cares about broadcasting in a system run by accountants, politicians, or an old guard N.Z.B.C. administration."⁶¹

This presents only one side of the story. The negative tension between the N.Z.B.C.'s administration and its journalistic staff stemmed as much from the failure of the latter to understand the responsibilities of and pressures acting upon the former, as from the administration's insensitivity towards the professional perspectives of the broadcasters.

Programme-making has not, probably cannot, acquire the hallmarks of the "harder" professions,⁶² but the drive towards professionalisation has long since been apparent.⁶³ As Antony Jay points out,

61. Quoted in N.Z.P.D., Vol. 408, p. 4424.

62. Especially the lengthy training in a body of specialized, abstract, knowledge - See W.J. Goode, op. cit.

63. See Tom Burns, op. cit., esp. pp. 122-32.

"when you have any new skill or any new intellectual area to explore, a creative area, a number of people can acquire a sort of private skill of a high order so that if it is to be passed on it's somehow got to be formulated into a body of accepted knowledge ... Programme dialogue is the process by which individual intuition and private feeling, seat of the pants instincts, pass into a corpus of knowledge and practice."⁶⁴

Not only may such professionalisation bring with it the bureau-pathology which results from its exclusion of the non-specialist administrator, but it may also blind the professional group to its public responsibilities, as Burns suggested above. The group tends to become insulated, not just within the organisation of which it is a part, but also within society. (As Mosher makes clear, the whole process of governmental professionalisation is, from one point of view, a problem of securing responsibility.⁶⁵) Clearly, this is potentially dangerous in the case of a public broadcasting organisation because its responsibilities directly impinge on the effective working of a democratic society. The Times of London has captured the essence of the difficulty:

"... television producers and interrogators tend to have certain characteristics in common: their views converge on the area labelled 'progressive'; they recognise the value of novelty; they sniff at things official or established; their generous impulses concerning the downtrodden and unfortunate suffer little constraint; they see it as part of their mission or part of the satisfaction of their work to rouse dogmatic slumberers and unsettle bourgeois habits of mind... There is a type of television person just as there is a type of naval officer, car salesman, and barrow-boy..."⁶⁶

Over-cautious and bureaupathic the N.Z.B.C. administrators might have been; but they were also aware of the dangers of the journalists becoming something of a law unto themselves. For example, Sceats claims that certain journalists, both within and outside the N.Z.B.C. were anti-Springbok tour activists during the course of their duties.⁶⁷ McKinnon, too, has made the same

64. Antony Jay, quoted in J. Bakewell and N. Garnham, The New Priesthood : British Television Today, Allen Lane, 1970, p. 161.

65. F.C. Mosher, Democracy and the Public Service, Oxford University Press, 1968, ch. 4.

66. Quoted editorially in The Press, May 13, 1970.

67. Sceats to writer, May 21, 1976.

claim.⁶⁸ The former Director of Television, N.R. Palmer, claims that on one occasion a television news crew painted anti-Vietnam War slogans on a wall in Wellington, and then filmed them for use in a bulletin.⁶⁹ Such claims are not easy to substantiate; but the fact that they are made helps explain the suspicion which coloured the administration's attitude towards the journalists. This suspicion was enhanced by the Bick affair during which the Chairman of the N.Z.B.C., C.A. McFarlane, criticised the crusading zeal of the central figure in the controversy.⁷⁰ In addition, a current affairs staff member was reprimanded for allowing her name to be used in an anti-Springbok tour advertisement, and for stating publicly that her views were shared by other staff members.⁷¹ And, as mentioned, another person resigned from the same section after he had publicly involved himself in the organisation of an anti-Vietnam War conference. All these instances were, with much justification, interpreted by the administration as breaching the N.Z.B.C.'s responsibility to sustain (and be seen to do so) impartiality in its information programmes.

It is, however, too facile to suggest that with a greater degree of mutual understanding and tolerance much of the negative suspicion between the two groups would have dissipated. The problem ran deeper: it had its roots in a certain lack of self-confidence on the part of an administration faced with the complex task of grappling with conflicting organisational purposes, especially those of capital development and news and current affairs broadcasting. What was required - particularly in respect of the latter - was an understanding of administration as a

68. McKinnon to writer, February 15, 1977.

69. N.R. Palmer to writer, June 30, 1976.

70. Said McFarlane in a speech to the N.Z. Institute of Public Administration, Dunedin, October 11, 1966: "Mr Bick proclaims a belief in the law of the jungle, that he detests the Welfare State, and that he is a crusader at heart ... As a self-appointed unofficial opposition to Her Majesty's Government he apparently thinks he had the right to employ the facilities available to him within the Corporation to advance his crusading aims".

71. Memos from Editor, Current Affairs, to S.J. Kedgley, May 19, 1970 and May 22, 1970.

facilitative rather than a controlling function, as a positive rather than a negative influence on the purposes of the organisation. As a former Director-General of the B.B.C. has said,

"the only way of exercising control is to proceed by persuasion and not by written directives; by encouraging the programme staff immediately responsible to apply their judgements to particular problems, within a framework of general guidance."⁷²

Or, as put by a former B.B.C. Director of Television Programmes, "the function of the administrator ... (is) allowing the producer's voice to sing most clearly and most openly."⁷³

Both Stringer and Sceats have echoed those sentiments. The latter was strongly of the opinion that "great sensitivity" was required in handling professional broadcasters.⁷⁴ The former, at the time of his retirement, commented that the Director-General's job was "to make sure that the house-keeping is a service to the creative people .. what I have wanted to do is give my creative people the greatest freedom in which to create programmes."⁷⁵ According to him, "wielding the big stick gets you nowhere; broadcasters must be encouraged and enticed."⁷⁶

However, the translation of such sentiments into effective action requires, in the context of public service broadcasting, exceptional qualities of leadership. Above all, it requires a person who understands the potential of public service broadcasting, who has a vision of the galaxy of purposes that may be served by that potential, and who is able to articulate that vision.

72. Sir Hugh Greene, quoted in E.G. Wedell, Broadcasting and Public Policy, op. cit., p. 177.

73. David Attenborough, quoted in Relay, April, 1973.

74. Sceats to writer, May 21, 1976.

75. Quoted in Salient (Victoria University of Wellington), August 5, 1970.

76. Stringer to writer, July 13, 1976.

Effective leadership of a public broadcasting organisation flows from the ability to fashion direction amidst the clamour of demands from professional staff, politicians, and the myriad groups - and individuals - that comprise the attentive public. It demands the "creative administrator" - in Asa Briggs' words, a person "of immense courage and imagination" who has "contact with genuinely creative producers."⁷⁷ Such an individual must be both functionally able and symbolically appealing. Regarding the former, Karl Mannheim points to the requisite qualities in his theory of political and intellectual innovation and leadership: the ability partially to identify with many individuals, groups, and classes, and to understand their different perspectives on reality; openness to the conflicts between these perspectives; the ability to retain a stance of detachment, and to derive a synthetic comprehensive perspective through the process of "dynamic mediation" among the various partial perspectives, thus avoiding premature closure.⁷⁸ Regarding the latter, the individual must be a person of recognised high standing in the broad area of creative endeavour, a personification of the values for which the organisation is seen to stand.

There was simply no such person leading the N.Z.B.C. at any stage of its career.⁷⁹

77. Quoted in the N.Z. Listener, October 24, 1969. Bakewell and Garnham's argument is appealing. They say (op. cit., pp. 160-1) that, "if you're going to run a television channel your real problems are with Parliament. It's the political context of television that requires the finest and most delicate handling and the most confidence and courage. And it is likely that the people who can do that are going to evolve from current affairs and politics ... almost everybody who comes to a position of prominence in broadcasting has come through that route because that is where the fire is hottest."

78. See A.S. McFarland, op. cit., pp. 201-2.

79. J.H.E. Schroder, who retired as Director of Broadcasting before the inception of the N.Z.B.C., might have been such a man.

CHAPTER FIFTEEN: A Failure of Leadership

This chapter examines in more detail the substance of the philosophy, explicit and implicit, that the N.Z.B.C.'s leadership adopted in regard to the critical function of news and current affairs broadcasting. As argued in the previous chapter, the N.Z.B.C.'s administration tended to resort to formalism as a surrogate for a genuine attempt to determine and articulate the organisation's social purposes. This remained so throughout the period under discussion, 1962-72. However, a closer analysis of the failure of leadership in this direction may be divided into two periods: 1962-68, and 1968-72. It was not until the late 1960s and early 70s that the leadership began positive steps to, in Vickers' terminology, shape the "appropriate setting" of the public by articulating what it considered to be the proper function of news and controversial broadcasting in New Zealand. However, the espoused theory was based on an implicit "world-view" which could not easily accommodate an understanding of changing social and political circumstances.

In the years 1962-66 a particularly cautious approach was adopted towards controversial broadcasting: cautious in the sense that the N.Z.B.C. did not make any sudden and spectacular break with previous practice as conducted by the former N.Z.B.S. Certainly, the news service was expanded in a spectacular and rapid fashion; but there was no comparable development of programmes designed as vehicles for debate on and analysis of the public issues

of the times.¹ In fact, the rapid expansion of the news service may have inhibited the development of current affairs programmes. The administration seems to have felt that political relationships were sufficiently complex without being further complicated by a concurrent expansion of controversial programming. Supervisor of Talks (later, Editor, Current Affairs), B.G. Broadhead, recalls Stringer's belief that if current affairs programming developed too quickly the N.Z.B.C. would not last as an independent broadcasting organisation. According to Broadhead, a major problem was that insufficient trained staff were available. Most were Talks Section personnel with little, if any, actual journalistic background. Consequently, heavy reliance in the early days was placed on the weekly programme "Looking at Ourselves" (begun in late 1963) which used outside contributors to give their personal viewpoints on the week's events in New Zealand.² N.R. Palmer, then Director of Television, has confirmed the administration's apprehension over controversial broadcasting. In his view, it was hard to find people who were capable of handling current affairs programmes on television: "for every five tried -- mainly on the "Town and Around" programmes run separately by each of the four stations -- only one was any good." He recalls that Broadhead was keen to promote more current affairs programmes

1. While the delay in the introduction of current affairs broadcasting is explained primarily by political (in the broadest sense) considerations, the lack of adequate technical facilities, especially in television, must be acknowledged. It was not until 1968 that a national television network link became regularly available, for example. It should also be acknowledged that technological innovations render it misleading to compare the type of news coverage provided, say, in the late 60s with that which could have been given in the 1950s. The lightweight cassette tape-recorder, for example, was not developed and issued until the late 1960s.
2. Broadhead to writer, August 12, 1976.

on television, but he (Palmer) was reluctant.³ It is certain that the administration's reluctance was also enhanced by its unfavourable attitude towards the abilities of its news journalists.

The caution was also evident in decisions on programme content. For example, in 1963 the N.Z.B.C. decided not to broadcast an interview conducted in Britain with M. Bidault, a former Prime Minister of France who was strongly critical of the existing French regime. According to the Chairman of the N.Z.B.C., Dr F.J. Llewellyn, "The Prime Minister of New Zealand gave us his view that we should not broadcast this material but made it quite clear that this was a decision for the Corporation and that he would not interfere further." (Emphasis added.)⁴ Llewellyn later conceded that there could be "some grain of truth" in charges of timidity against the N.Z.B.C., but argued that there was "no point in being off-beat or controversial just for the sake of being so."⁵ Commenting on the introduction of the first public affairs programme ("Platform") the Assistant Editor of Television News advised that while he hoped it would be "stimulating and controversial", political issues would be "introduced on some occasions ..."⁶ Further, a background paper on "News and Commentaries (Sound and Television)", prepared by the N.Z.B.C. for its regional programme advisory committees in 1966, contained observations that were hangovers from the days when broadcasting news consisted almost entirely of government handouts. Hence:

3. Palmer to writer, June 30, 1976.
4. Letter of October 28, 1975, from Sir John Llewellyn to writer.
5. Reported in the N.Z. Listener, April 19, 1963.
6. Reported in the N.Z. Listener, July 12, 1963.

"... any news which might be unfavourable to the country, its government, or the N.Z.B.C. itself should not be suppressed if the facts are established beyond doubt, and their broadcast is in the public interest Political balance is difficult to achieve in any one bulletin, particularly as the hard facts of official policy may have more news value than opinions of an Opposition"⁷

But what if "news which might be unfavourable to the country, its government, or the N.Z.B.C." comprises not "facts" but legitimate opinion? Was it, therefore, to be "suppressed"? Likewise with the "facts of official policy" and the "opinions of an Opposition".

As noted in the previous chapter, the N.Z.B.C. up until about the time of the Bick affair (late 1966) adopted a conservative interpretation of its statutory obligation to preserve "balance" in its programmes. Before the Bick episode there had been other examples of the N.Z.B.C.'s reticence on this question. In 1965, a "Looking at Ourselves" talk by a Dunedin Professor (E.W. Herd) criticising the New Zealand Government's Vietnam War commitment was postponed by the Controller of News and Public Affairs on the grounds that it needed to be balanced by the "opposing" point of view. The talk was later broadcast on "Point of View" and was followed by an anonymous Government statement.⁸ In 1962, the N.Z.B.C. declined a National Party invitation to film its annual conference because the Labour Party did not allow filming of its conference. (In 1965, both parties agreed to television coverage of their conferences.) The cautious approach to "balance" at one point elicited a Parliamentary Question from a member who wanted to know if it were true

7. N.Z.B.C. paper, "News and Commentaries (Sound and Television)", to Regional Programme Advisory Committees, issued April, 1966, p. 2.
8. See The Dominion, June 1, 1965, and The Evening Post, June 7, 1965.

that the N.Z.B.C. had refused to televise a speech of President Johnson's because it was not balanced by one from Chairman Mao Tse-Tung.⁹

Like the above statement on "facts" and "opinions", the N.Z.B.C.'s attitude towards programme balance was based on an implicit philosophy that the organisation should not go too far (if any distance at all) in stimulating critical discussion of governmental policy - or, more generally, of established authority. For the effect was that a veto could be exercised over these public affairs programmes by any party subject to criticism within them. To that extent the N.Z.B.C. was denying what others perceived to be its social responsibilities. Thus, the Central Regional Programme Advisory Committee of the N.Z.B.C., in the midst of the Bick affair, recommended that wider powers of discretion be given to television producers. Commented the Committee's Chairman:

"the likelihood of continuing tension in the relationship between the journalist or programme producer and the editor was apparent .. it was unlikely that this could be entirely eliminated but it could be reduced by giving the producer a wide discretion to apply the policy of the Corporation."¹⁰

The Corporation agreed that "the most desirable working arrangement" was for the producer to be given as much responsibility as possible. "In practice, however, the extent to which this is possible is related directly to the competence and wisdom of the producer ... The Corporation will certainly welcome a state of affairs where the exercise of this responsibility requires minimum restraint on producers."¹¹ Here again was the essence of the problem: neither the administration nor the journalists

9. N.Z.P.D., Vol. 342, p. 708.

10. Reported in The Dominion, October 15, 1966.

11. Minutes of the meeting of February 8, 1967, of the Central Regional Programme Advisory Committee.

had confidence in the other's ability to determine appropriate professional standards. The administration, exercising its hierarchical authority, decided to play it safe.

The Bick episode also highlighted the inheritance by the N.Z.B.C. of the N.Z.B.S.'s policies on the coverage of election campaigns. Like its predecessor, the N.Z.B.C. placed a moratorium on all candidates three months before the election, with the exception that cabinet ministers could go on air to discuss matters pertaining to their portfolios. But the N.Z.B.C. suspended its current affairs programmes on both media during the election campaign. These actions hardly indicated that the Corporation was bent on positive change in this area. They were clearly status-quo orientated. Moreover, they may well have been lagging behind public expectations (at least those of the "attentive" public). The C.R.P.A.C. hoped that current affairs programmes would not be dropped during future election campaigns.¹² Its southern counterpart observed that the Corporation's radio and television programmes had revealed "a measure of both ignorance and indifference in respect of important social issues."¹³ Most of its members felt that until about 14 days before the election, programmes should not be "timorous" and "should be directed towards securing an impartial exposition of current issues of national interest and importance."¹⁴ In May, 1968, the Chairman of the Northern R.P.A.C., noting that the N.Z.B.C. was "rather lukewarm about discussing controversial topics", urged it to deal with them in greater depth: "the committee feels the public are much more sophisticated than the N.Z.B.C. gives it credit for."¹⁵ The same month,

12. Reported in The Dominion, October 15, 1966.

13. Ibid.

14. Ibid.

15. Reported in The Auckland Star, May 8, 1968.

the Southern R.P.A.C. argued that, "New Zealand broadcasting policy should be not only to examine current social attitudes and standards but also constantly to seek suitable material on changing habits and standards."¹⁶

Four main reasons can be posited in explanation of the ultra-cautious approach exhibited by the N.Z.B.C.'s administration. Firstly, there were the departmental backgrounds of the organisation's top administrators. To that extent the switch from departmental to corporation control was a change in name only. Secondly, there was the power struggle between the Board and the Director-General. This constrained the latter to tread warily lest political dissatisfaction find expression in the Board's increasing desire to exert a greater influence on programme matters. Thirdly, during the period 1963-67 the N.Z.B.C. was engaged in a massive capital development programme, the implementation of which depended on governmental acquiescence. And fourthly, the Act itself, particularly Section 10, provided a convenient excuse for a formalistic and conservative interpretation of the Corporation's responsibilities. Regarding the first reason, there is the example of the Director of Television. The Director, N.R. Palmer, an engineer by profession, once asked the Southern Regional Programme Advisory Committee whether the N.Z.B.C. should "grasp the nettle and give the public what they ought to have." He agreed the N.Z.B.C. should give leadership, but felt that if it went too far it would drive people away from television. There was not an unwillingness to make this kind of decision, but "not in defiance of a reasonable public opinion."¹⁷ Palmer's question itself suggests a failure

16. Reported in The Press, May 11, 1968.

17. Minutes of the meeting of August 9, 1968, of the Southern R.P.A.C.

to understand the difference between organisational response to environmental expectations and organisational scope for moulding those expectations, for adjusting the standards by which the organisation itself might be judged. The question suggests organisational drift rather than leadership. As far as the power struggle and the capital development programme are concerned, both had lost momentum by 1968 (see the next chapter regarding the latter) and administrative energy was being increasingly applied to other objectives, notably the protection of the N.Z.B.C.'s interests in the face of the Broadcasting Authority.

By 1968, therefore, two of the negative constraints had lost a good deal of salience, and change was at hand. This period, 1962-68, was characterised by an almost total absence of articulated purpose in the area of news and current affairs broadcasting, on the part of the organisation's administration. Rather, there prevailed an implicit philosophy of system-maintenance - a philosophy which represented, particularly in respect of programme "balance", an abrogation of organisational responsibility in favour of external, usually political, interests.

The period 1968-72 was different. It was a time of spectacular progress in controversial broadcasting. In 1967, the N.Z.B.C. had set up a separate current affairs section for radio, and the nightly programme, "Checkpoint", had begun in May of that year. A year later, "Gallery", a current affairs television programme, came on the air to complement the fortnightly programme, "Compass". By this time, too, the N.Z.B.C. had instituted training courses for its news personnel (the first was mounted in 1967). Importantly, there was a change in the interpretation of programme "balance". This no longer had to be achieved within a particular programme; instead, the Corporation undertook to "afford opportunity for all significant view-

points to be presented within a reasonable period of time ..."¹⁸

"Gallery" was the spearhead of change in the N.Z.B.C.'s approach to controversial broadcasting. It began as a weekly (Friday evening) 15-minute programme "of analysis, comment, argument and opinion concerned with immediate topics."¹⁹ In August, 1968, the Northern R.P.A.C. congratulated the N.Z.B.C. on the standards achieved by "Gallery" and "Compass", and asked the Corporation to lengthen the former and to extend the period of the year during which both programmes were broadcast. In 1970, "Gallery" was extended to 35 minutes, and became a twice-weekly programme screened on Tuesday and Thursday evenings. In September, 1970, it was described by the departing senior lecturer in journalism at Canterbury University as "generally, an excellent programme ... the stuff it does in New Zealand is certainly very, very good by New Zealand standards, and sometimes by international standards."²⁰ One "Gallery" programme, in which interviewer Brian Edwards was instrumental in resolving a Post Office industrial dispute, has been described by Holcroft as "the most exciting programme screened in New Zealand, and the most constructive."²¹

Appearances might have suggested that the perspectives and expectations of the N.Z.B.C.'s administration and the journalistic staff had reached an accord. However, there had been little change. Stringer retired in July, 1970, and was replaced by Sceats. However, according to "Gallery's" producer, D. Monaghan, Sceats was more conservative and cautious in his approach to controversial broad-

18. Aims and Objectives of N.Z.B.C. Programming, N.Z.B.C., January, 1969, p. 4.

19. Reported in the N.Z. Listener, April 26, 1968.

20. Reported in the N.Z. Listener, September 14, 1970.

21. M.H. Holcroft, "The Power of Television", op.cit., p. 2888.

casting than Stringer had been.²² Indeed, Monaghan argues that in April, 1969, "Gallery" established its position as an independent current affairs programme when Stringer stood up to pressures from the Security Intelligence Service regarding an interview between Edwards and the Service's head, Brigadier H.E. Gilbert.²³ Sceats himself has recounted how, during his interview for the position of Director-General, he was asked by the Board whether or not he felt there was too much air-time given to vociferous minority groups. His response was in the affirmative, and on becoming Director-General he was able to take steps to "correct" the situation.²⁴ (As Sceats commented publicly at the time of his appointment:

"One thing that is very apparent is the great development in the expression of opinion over the last 10 years. It is the function of a public service broadcasting authority to take notice of this, although I feel there has been a tendency to over-exposure of extreme and insignificant elements in society."²⁵)

M.A. Rickard, who was Executive Director responsible for all programmes, had no background in journalism. His view was that news and current affairs activities had been developed too rapidly for public acceptance.²⁶

The underlying tension and suspicion between the administration and the "Gallery" team was evidenced during the controversy late in 1970 over the Corporation's decision not to screen the pilot episode of "The Brian Edwards

22. Monaghan to writer, August 24, 1976.

23. Ibid. For an account of this incident, see Brian Edwards, op. cit., ch. 5.

24. Sceats to writer, May 21, 1976.

25. Reported in the N.Z. Listener, June 22, 1970.

26. Rickard to writer, July 7, 1976.

Show" (see chapter 9).²⁷ The administration's leading advocate was the Chairman, Major-General McKinnon, who (as indicated in the last chapter) did not enjoy the confidence of the journalistic staff. As shown in Chapter 9, by this time the Board had adopted a positive role for itself in the area of programme policy, by virtue of guidelines embodied in motions of commendation and reproof.²⁸ The Board, in particular the Chairman, had thus come to assume formal leadership roles in the definition of programme purposes.

The robustness of "Gallery" developed in spite of the administration rather than because of any major shift in its attitudes towards controversial broadcasting. The causes were circumstantial rather than purposive. Two of the main negative constraints had become much less compelling - the struggle between the Board and the Director-General, and the capital expansion programme. More important, however, were three other factors. Firstly, the 1968/69 internal reorganisation of the N.Z.B.C. had, as argued in Chapter 8, obfuscated the lines of administrative authority and responsibility. This depressed the creative process within the N.Z.B.C. However, this was as much a virtue as a vice for "Gallery". The necessity to work to tight deadlines loosened the administration's control over the programme. As Monaghan has pointed out, responsibility for the production of the programme became blurred. As producer, he was responsible to the Manager of WNTV-1, The Chief Producer at Head Office Television, and to the Editor of Current Affairs. This confirmed the adage that divided responsibility means no responsibility, and Monaghan came to enjoy an

27. See Brian Edwards, op. cit., ch. 12.

28. According to C.A. McFarlane (to writer, June 15, 1976) it was no good the Board having a philosophy of broadcasting as long as the Director-General kept programme matters to himself.

autonomy of action that otherwise would not have been possible.²⁹ The reorganisation also meant, as Palmer confirms, that the opportunity for administrative leadership was drastically curtailed.³⁰ Secondly, the advent of the Broadcasting Authority embroiled the Corporation's hierarchy in a series of hearings that distracted their attention from other matters. As the Adam Committee of 1973 commented:

"The Corporation found itself caught up in a round of judicial proceedings over warrants that distracted it from the immediate concerns of broadcasting. The pressures of commercial competition in both radio and television had eventually come to dominate its planning and programming largely to the exclusion of other considerations."³¹

The distractions enhanced "Gallery's" independence. The third factor was the emergence of a number of politicians, (for example, R.D. Muldoon, L.R. Adams-Schneider, and N.E. Kirk) who understood the medium of television and were able to use it to project a favourable image of themselves to the public. (The case of the "Compass" programme in 1968 on the Broadcasting Authority Bill is illustrative: N.R. Palmer, then Director of Television, recalls that the policy was to "leave alone" matters which were before Parliament - "the House was the place for public debate."³² Thus the decision was taken to postpone a programme on the subject until the Broadcasting

29. Monaghan to writer, July 15, 1976.

30. Palmer to writer, June 30, 1976.

31. The Broadcasting Future for New Zealand, op. cit., p. 5. Said Sceats (Relay, August, 1973), "Ever since I was appointed to the position of Director-General three years ago I have unavoidably been almost continuously distracted by hearings and enquiries of one sort or another."

32. Palmer to writer, June 30, 1976.

Authority Bill had passed through Parliament. The Minister, Adams-Schneider, however, asked that the programme be made and broadcast during passage of the Bill. The attitude that public controversy should properly be confined to the House of Representatives was one which had a long history in New Zealand broadcasting, as chapter 2 indicates.)

Moreover, by the late 1960s the New Zealand public was probably more receptive to a higher pitch of controversial broadcasting, whether or not this receptiveness reflected the attainment of a higher degree of political sophistication.³³ The legitimacy of controversial broadcasting had been enhanced in the public mind: this represented a shift from the early 1960s when, for example, there had been difficulty in persuading people to take part in these programmes.³⁴

Because the N.Z.B.C.'s controversial broadcasting became more vigorous by circumstance rather than by administrative design, the management was obliged to justify as well as to control. In other words, the post-1970 emergence of conscious attempts to justify and explain the purpose of controversial broadcasting was more a matter of necessity than of positive leadership. There was also implicit in this espoused philosophy a set of views which indicated a

33. "Gallery" interviewer Brian Edwards commented in 1971:

"There can be no doubt whatsoever that the television public has come to regard the interview as a gladiatorial spectacle. Correspondents to the television columns of the national press reveal ... a ... bloodlust which seems to suggest that the mentality of the average 'Gallery' fan differs not at all from the mentality of the harpies who inhabit the front-row seats at wrestling matches."

- Reported in the N.Z. Listener, February 15, 1971.

34. According to Waldo Maguire, reported in the N.Z. Listener, February 18, 1966.

continuing shallowness of thought in respect of the social responsibilities of public service broadcasting. This shallowness had been apparent, in the first instance, in the administration's propensity to adopt soft options when it came to formulating and articulating an explicit philosophy of broadcasting. This was manifest in the formalistic preoccupation with Section 10 of the Act. When, for the first time, the N.Z.B.C. in January 1969 (a full seven years after its inception) produced a publicly-available booklet setting out "the aims and objectives of N.Z.B.C. programming", the tendency to "run for cover" behind the provisions of Section 10 was still marked (the statutory imperatives were reproduced in full inside the back cover).³⁵ Nevertheless, this booklet was the first coherent attempt to explicate programme purpose.

The soft option was also evident in the administration's tendency to beg important questions in its attempt to justify its policies on controversial broadcasting. For example, the N.Z.B.C. frequently argued that the "N.Z.B.C., owned as it were by the entire community, must invariably adopt a strictly neutral position."³⁶ But what were the implications of a "strictly neutral" position? Waldo Maguire during his term as Controller of News and Public Affairs was clearly aware of the problematical nature of this argument. In his view, the neutrality (non-editorialising) argument was inappropriate in respect of certain moral issues such as racial discrimination. "The B.B.C. is not neutral on this and I don't think a

35. Aims and Objectives of N.Z.B.C. Programming, op. cit.

36. Ibid, p. 5.

public service organisation should be."³⁷ The transparent idea of editorial neutrality was never publicly challenged as it had been by a former Chairman of the B.B.C., who argued that:

"the B.B.C. holds that truth is good and lies bad; kindness good and cruelty bad; justice good and injustice bad; freedom good and slavery bad; respect for the law good and law-breaking in all its forms bad; and any other opinions which have become an established part of our democratic values."³⁸

To argue that the N.Z.B.C. was "neutral" was greatly to side-step a critical questionmark surrounding the social responsibilities of a public broadcasting organisation. It also gave rise to manifest contradictions. For example, on the one hand the N.Z.B.C. declared itself to be "neutral"; on the other it argued that "no station would accept a speaker openly professing views repugnant to practically the entire community, such as advocacy of anti-semitic legislation or the violent overthrow of democratic government."³⁹ The latter assertion was justified by reference to the statutory imperative to exclude anything "likely to be offensive to public feeling." The N.Z.B.C. was not sensitive to the possible contradictions inherent in Section 10 of its Act.

The soft option approach was also exemplified in the administration's willingness to let overseas broadcasting figures do the thinking for them. On his return from the Commonwealth Broadcasting Conference in Nigeria in 1965

37. Reported in the N.Z. Listener, February 18, 1966.

38. Lord Simon, op. cit., p. 305.

39. Aims and Objectives of N.Z.B.C. Programming, op. cit., p. 4.

Stringer relayed to staff a "summary of the aims and responsibilities of a broadcasting service" as defined at the Conference by the President of the Canadian Broadcasting Corporation, Alphonse Ouimet. The address posited four main imperatives: a national service should be "complete, a service for everyone"; the service must link the whole country -- not only physically but in its reflection of national and common interests; the service must be predominantly "of the country in its character"; and it must serve all the main language groups of a country equitably.⁴⁰ No attempt was made to assess these objectives in the New Zealand context. Two years later, the N.Z.B.C.'s policy on the pronunciation of Maori place names -- permitting the anglicisation of a number of names in accordance with established local usage -- aroused strong opposition.⁴¹

In the debate on control of the second television channel, the N.Z.B.C. stressed that "public service broadcasting" symbolised the notion of public purpose in contradistinction to private profit. Argued Stringer in 1969:

"We shall spare no effort, we shall spare no reasonable expense to prevail, and to remain a dominant power for good in the social life of New Zealand. We are proud to ... have given true service to all people. We shall not give up this ideal of service."⁴²

A year later, Sceats told staff that in the debate on the control of the second channel, "the clear, simple but major issue is the profit motive versus community service." "What," he asked, "is the most desirable end use of television in New Zealand? Is it a social purpose - or is

40. Relay, September, 1965.

41. For example, see N.Z.P.D., Vol. 350, pp. 614-5; also Vol. 351, pp. 1492-3.

42. Relay, January, 1969.

it ... to be a licence to print money?"⁴³ The vital questions that were largely overlooked were, service for what? What social purpose(s)?

In New Zealand, where preference for the practical prevails over preoccupation with the philosophical, the reluctance to provide explicit answers to such questions was not extraordinary. Yet it was essential that the N.Z.B.C.'s administration attempt to answer these questions, for the late 1960s and early 70s were years of challenge to the extant social and political consensus. Burns' observation that, "The last ten years have seen the almost total reversal of the 'depoliticisation' trend of the 1950s",⁴⁴ was also pertinent to New Zealand society.

As Wedell has succinctly pointed out, "As long as the criteria of conduct are fixed, the mass media controllers have little problem: it is in times of change that their responsibility both becomes evident to all, and the more difficult to discharge."⁴⁵ The soft options were decreasingly appropriate to the N.Z.B.C.'s needs of the times. The Corporation's problems were acute. It was faced with the need to establish itself as an independent public corporation in the face of political pressures, both real and apparent. Some of this pressure - it is impossible to determine how much - undoubtedly resulted from its news and controversial broadcasting activities which were a

43. Relay, September/October, 1970.

44. Tom Burns, op. cit., p. 157.

45. E.G. Wedell, Broadcasting and Public Policy, op. cit., p. 207.

principal expression of independence.⁴⁶ The development of this area of broadcasting, breaking new ground in New Zealand, occurred when the social consensus of the country was becoming more tenuous. The task was therefore considerably more difficult than it might have been under conditions of relative social quiescence. This attenuation, moreover, could be seen to result in part (whether or not it was so resulting is irrelevant) from the organisation's activities in the field of news and controversial broadcasting. This, in turn, rendered the N.Z.B.C. subject to increased social and political pressures and its integrity more vulnerable.

In short, by the late 1960s and early 70s the N.Z.B.C.'s administration was virtually compelled actively and consciously to justify its actions in news and current affairs broadcasting, actions which - particularly in the latter domain - had arisen out of professional impulses rather than administrative design. Because it could not deny responsibility for this activity, the administration had publicly to justify it while seeking privately to control it.

Beginning in 1970, the N.Z.B.C. began publicly to articulate an explicit philosophy of news and current affairs broad-

46. It is pertinent to note Burns' argument that, "the adversary stance which comes in so handy for the professional broadcaster is not just the easy identification of the professional non-partisan stance with playing the part of 'us' as the "unrepresented", the "consumers", the "suffering public", the victims of planners and public servants of all kinds, as well as large industrialists, selfish trade unions, property speculators and the like.' This accords well with the vague populism which comes readily - naturally - to the broadcast journalist, but it is, at bottom, best understood as a reaction against the very restraints imposed on broadcasters by the accommodation reached between their professionalism and the national interest, mediated through the Corporation and Parliament." - Tom Burns, op. cit., p. 209.

casting. The philosophy was couched in the form of a justification of the air-time allowed to minority - often "dissenting" - groups. Some examples: Sceats told the Wellington Branch of the Justices of the Peace Association that,

"fair-minded people know full well that in our community, while the vigour and perhaps mis-guided behaviour of those disturbing order at what might set out to be peaceful demonstrations are something out of the ordinary, they should be reported, but in proper perspective.... I wonder how many of you recall the number of times we have shown on television films giving the other side of the picture -- such as teenage driver of the year contests; girl guide camps; scouts doing community work; Duke of Edinburgh Award Presentations ... and so on ... All these things have been shown on television regularly and far outweigh the number of occasions when film has been shown of youth protesting ... the N.Z.B.C. has a responsibility to reflect all that occurs which is newsworthy, be it good or bad ..."⁴⁷

Stringer (in a news release) urged that:

"television in New Zealand has an important role to play in portraying in its news and current affairs programmes all facets of life and community activity ... The solid and the worthy achievements in our society are quickly taken for granted ... and it is not uncommon for portrayals of the more sensational elements to have a more immediate impact."⁴⁸

He spoke in similar vein to the Carterton Rotary Club:

"... I will defend to the limit any insinuations that the N.Z.B.C.'s journalistic staff are anything other than honest and fair in bringing you a true reflection of the forces for good and ill within the community ... had we placed a ban on their (a Progressive Youth Movement) appearance we could conceal from the public an insight into the type, character and objectives of a vociferous section of the young people of New Zealand ... We provide the vehicle and do all we humanly can do to try to ensure it is steered fairly down the middle."⁴⁹

47. Address to Wellington Branch of the Justices of the Peace Association, August 11, 1971.
48. News release, February 5, 1970 (on N.Z.B.C. file).
49. Address to Carterton Rotary Club, March 9, 1970.

Elsewhere, Stringer claimed that demonstrations were losing their usefulness as a method of protest. He urged students at Canterbury University to revert to university debating as "the current method is only causing public aggravation and disturbance."⁵⁰

At the National Party's 1970 annual conference one delegate complained that the N.Z.B.C. "devotes too much time to New Zealand strikes, protests, and grizzles."⁵¹ Another claimed that a "Compass" election programme had been "stacked" with groups representing extreme left-wing views.⁵² In reply, Major-General McKinnon said the N.Z.B.C., in maintaining programme balance, did not go down the centre of the road to the exclusion of right or left: it was

"a specific responsibility that views covering the full spectrum of public thinking be made known provided they emanated from responsible or substantial sources ... But what was particularly disquieting was that an attack on the N.Z.B.C.'s covering of the current industrial situation, and other less heartening aspects of the present scene, was apparently advanced as a factor in support of a remit urging private enterprise control of a second channel."

McKinnon commented that:

"the N.Z.B.C. is fully aware that it must present news which reveals unpalatable facts or circumstances. If a strike is the news of the moment it would be totally dishonest of the N.Z.B.C. to pretend it was not occurring or bury it in the tail of a bulletin."⁵³

On another occasion, the Minister of Defence charged that "television is giving the impression that today's youth is no good."⁵⁴ In reply, the Chairman expressed his surprise at the Minister's charge, and went on to say that:

50. Address to Canterbury University Students, July 20, 1970.

51. Reported in The Evening Post, July 25, 1970.

52. Ibid.

53. News release, July 26, 1970 (on N.Z.B.C. file).

54. Reported in The Press, April 22, 1971.

"all responsible citizens would deplore the ill discipline of some sections of youth which led to these disturbances. But it was the absolute duty of the N.Z.B.C. to report their activities so that society could be fully aware that a serious problem existed in its midst."⁵⁵

These justifications were heavily value-laden, implying a particular view of what is "right" and "wrong", "good" and "bad" in society. This particular perspective might have been adopted in order to placate the middle-class groups to whom, invariably, the N.Z.B.C.'s public relations utterances were addressed. But there is no reason to doubt the centrality of these value perspectives in the minds of the N.Z.B.C.'s top administrators. The value judgements are implied in such phrases as "perhaps mis-guided behaviour of those disturbing order"; "all that occurs which is newsworthy, be it good or bad ..."; "the solid and worthy achievements"; "the more sensational elements"; "the forces for good and ill within the community"; "steered fairly down the middle"; "the current industrial situation, and other less heartening aspects of the present scene"; "unpalatable facts or circumstances"; "a serious problem existed in its midst."

The public statements also concealed a private concern that too much air-time was indeed being given to minority groups.

The Boards under both McFarlane and McKinnon were concerned over the type of coverage given in news and current affairs programmes to youth activities. According to McFarlane,

"we asked why it was that student demonstrations received centre treatment while the thousands of good things that youth were doing did not receive publicity."⁵⁶

55. Ibid.

56. McFarlane to writer, May 14, 1976.

McKinnon shared this view. (He posed the example of television coverage of a dramatic helicopter troop withdrawal in Vietnam, as against coverage of work done by hospital units.⁵⁷) Other Board members expressed similar sentiments. For example, Trimmer has commented that "all the mass media seem to pound on and headline the stupid and evil acts that happen in every community. We hear so little about the things that are good ..."⁵⁸ According to him, under both McFarlane and McKinnon, all Board members were satisfied that "balance was not observed in the news and current affairs section of broadcasting", and that "far too much time was given to minority groups ..."⁵⁹ Another Board member, D.P. McNab, has recalled that "the Board received numerous criticisms ... as to the type of material put on the screen in News and Current Affairs."⁶⁰ Those who complained felt that "far too much time was given to deviant views (sex aberrations), the Vietnam War, the All Black Rugby tour, bikie gangs, and so on."⁶¹ She believes that "there were those on the Board who took the view that constant exposure to (say) bikie gangs, made them into sort of heroes, and HART and CARE had access to the Media at will."⁶² According to Mrs McNab, "the Board's concern was entirely consistent. That the Act required a presentation of balanced opinion."⁶³ Adams-Schneider, as Minister, expressed similar views. In his opinion it would have been "an admirable thing to have programmes that tended to lead people away from the permissiveness of today's society ..."⁶⁴

57. McKinnon to writer, May 8, 1976.

58. Letter of July 17, 1976, from R.K. Trimmer to writer.

59. Ibid.

60. Letter of August 7, 1976, from D.P. McNab to writer.

61. Ibid.

62. Ibid. (HART = the Halt All Racist Tours organisation; CARE = Citizens' Association for Racial Equality).

63. Ibid.

64. Reported in The Press, March 26, 1969.

It is not possible to determine here whether or not the Board's concern over "balance" was justified. Rather, it is argued that these attitudes - expressed both in public justifications and private exchange - evinced an incapacity to provide the leadership required by a public broadcasting organisation during a time of challenge to the moral consensus prevailing within society.

Undoubtedly, the administration considered, probably rightly, that its views accorded with predominant - that is, middle-class, - social attitudes. The difficulty was, however, that it was largely unable to question its own assumptions about the legitimacy of dissenting social viewpoints. Consequently, its articulated justifications appeared somewhat cynical to those broadcasters - principally the journalistic staff - who worked at the interface between the organisation and changing societal attitudes. In short, the post-1970 philosophy articulated by the N.Z.B.C.'s leadership demonstrated a status-quo political bias in place of a genuine attempt to impose a sense of organisational purpose fashioned in the light of changing social attitudes. As discussed in Chapter 10, it was this "world view" which in 1972 underpinned the actions leading to the dismissal of the Editor of the Listener and the transfer of the Editor of the News Service.

This response on behalf of the N.Z.B.C.'s administration, however, was not a cynical one. It resulted - almost by default - from inability to grapple with situations of increasing moral complexity. It simply was not enough to equate "the public interest" with a conception of the "middle-class interest" - to justify air-time given to dissenting minority groups on the grounds that the N.Z.B.C. had a duty to show social warts in the belief that this would help society to cope with such "pathologies". To seek to use the N.Z.B.C. as a means of consolidating those social values inherent in perceptions of the "good things that youth were doing" was legitimate only in so far as minority opinion could be allowed publicly to challenge those values.

It may be, as Arthur Holcombe has argued, that the public interest "is nothing less than such an adjustment of conflicting special interests as can give the people durable confidence in the stability of the state itself", and that the public interest thus tends to approximate middle-class interests.⁶⁵ But as Sorauf has pointed out, "middle-class attachment to the values of moderation, harmony, cooperation, and good will -- in short middle-class distaste for the political struggle -- supports any theory of the public interest which obscures group antagonism."⁶⁶ The N.Z.B.C.'s administration appeared unable to cope with such dilemmas. They were unable to provide that aspect of "moral creativeness" that Barnard sees as "the inventing of a moral basis for the solution of moral conflicts."⁶⁷ Says Barnard,

"The creative function as a whole is the essence of leadership. It is the highest test of executive responsibility because it requires for successful accomplishment that element of 'conviction' that means identification of personal codes and organization codes in the view of the leader. This is the coalescence that carries 'conviction' to the personnel of organization, to that informal organization underlying all formal organization that senses nothing more quickly than insincerity. Without it, all organization is dying, because it is the indispensable element in creating that desire for adherence - for which no incentive is a substitute - on the part of those whose efforts willingly contributed constitute organization."⁶⁸

The virtual illegitimacy of minority views was assumed. There was little capacity for what McFarland (following Mannheim) describes as "a dynamic, existential process of learning by placing oneself in real situations and by going through cycles of identification and detachment

65. Arthur N. Holcombe, quoted in Frank J. Sorauf, "The Public Interest Reconsidered", Journal of Politics, Vol. 19, 1957, p. 623.

66. Ibid, p. 634.

67. Chester I. Barnard, op. cit., p. 279.

68. Ibid, pp. 281-2.

toward the perspectives of others."⁶⁹ It was not that the N.Z.B.C.'s leadership ought to have adopted an explicit commitment to change on behalf of dissenting minorities, any more than it ought to have - implicitly, at least - committed itself to a middle-class, status quo, orientation. Rather, in allowing its own social values to predominate in the definition of its broadcasting philosophy, the administration was prevented from bringing to bear the detached appreciation necessary to comprehend the process of social change in New Zealand and the role of the N.Z.B.C. in regard to it.

Commenting on what he saw as the N.Z.B.C.'s "over-reaction to public pressure," the Editor of the Listener commented in 1971 that "it is usually when a person is not sure of himself that he succumbs to pressure, and this may apply to Corporations as well."⁷⁰ However, it may be that the N.Z.B.C.'s leadership problems - including those which (as shown in Chapters 10 and 11) severely affected its real and manifest political independence - stemmed in part from too strong a certainty as to the values that the organisation should serve. It was, in effect, a certainty derived from impeccable middle-class (and middle-aged) assumptions. In the case of Board members, it flowed also from business backgrounds in which certainty

69. A.S. McFarland, op. cit., p. 195. See, too, C. Argyris, "Theories of Action that Inhibit Individual Learning", op. cit.

70. N.Z. Listener, (editorial), November 8, 1971.

was prized above speculation, fact above opinion,⁷¹ and order above confusion. And in the case of the N.Z.B.C.'s top executives, it stemmed from bureaucratic careers which valued quietude before controversy and managerialism before leadership.

By the late-1960s, the Shelleyan philosophy of broadcasting was becoming increasingly inappropriate. That philosophy saw public broadcasting as an important means of welding a sense of community, of national unity and purpose (an appeal

71. For example, McKinnon's argument in regard to the McCready incident (see footnote 83, Chapter 10), that he wished to see a "factual discourse" presented by the Government on the Vietnam War situation. This attitude overlooks the difficulties of separating "fact" from "opinion", particularly where complex public controversy is involved. Note, too, the following exchange during the inquiry into the dismissal of the Editor of the N.Z. Listener.

COUNSEL: Was it a concern of yours that a particular line on a political issue should be discouraged in the Listener? I am talking about your concern. Was it a feeling of yours?

MR CATHIE (Member of the Board, New Zealand Broadcasting Corporation): I go back to what I have said before. As long as it is the truth and the facts and is not subject to libel I don't mind which line it takes.

COUNSEL: And if somebody said to you that for the editor to take a particular line on, say, a subject like the South African rugby tour was liable to discredit the N.Z.B.C. in some way would that occur to you?

MR CATHIE: As long as it was the truth and the facts I would be quite happy.

COUNSEL: If there was a repeated expression of the view would your concern still be the same, that you would be happy provided the facts were true?

MR CATHIE: Well, this is what I have stated and I am quite happy to stick with it.

- Taken from "Politics and Broadcasting: The Commission of Inquiry into the Dismissal of Alexander MacLeod", in Stephen Levine (ed.), New Zealand Politics: A Reader, op. cit., pp. 285-6.

enhanced, of course by the war years).⁷² Based on the liberal appeal to reason - "radio ... will form an instrument for real democracy, based on a sympathetic understanding of all points of view, considered in the quiet environment of the fireside ..." ⁷³ - it was a philosophy appropriate at a time when not only was political discourse based on a general social consensus (the industrial disputes of the early 1950s notwithstanding), but when, ironically, broadcasting itself was not used as a forum for public controversy.

Those responsible for providing leadership within the N.Z.B.C. failed to come to grips with the more difficult task of defining broadcasting's mission, its sense of purpose, in a way that legitimated the expression of diverse opinion rather than extolling (explicitly or implicitly) the unity of an essentially middle-class consensus.

A suggestion of what was required came from the Central R.P.A.C. in November, 1968. It urged the Corporation to "exercise the greatest possible degree of freedom and independence, and to ... resist all forms of pressure upon programme planners." The Corporation should "set as its goal the reflection of the diversity of public tastes, opinions, and interests."⁷⁴ It urged that "the judicious weighing of one opinion against another" be supplemented by

"wider opportunities for the fullest expression of varied opinions, that in entertainment as in the discussion of social and political issues, exploration of diversity should be the aim, and that instead of paying undue attention to the popularity charts, which reflect by definition

72. Said Shelley (N.Z. Radio Record, September 4, 1936, p. 7): "... I regard the radio as 'The Great' modern instrument for securing a real cohesion of the citizens of the community based on mutual understanding and sympathetic tolerance."

73. Ibid.

74. Minutes of the meeting of November 5, 1968, of the Central R.P.A.C.

only what is already known, the exploration of the unknown should be encouraged."⁷⁵

Sceats, for one, was sympathetic to this view. In his opinion, the N.Z.B.C. had to define its role as a "vehicle for change", without influencing the direction of change.⁷⁶ Again, however, this was something of a soft option which begged at least one important question. That is, because of the media's "gate-keeping" function,⁷⁷ the vehicle's driver must inevitably - wittingly or unwittingly, explicitly or implicitly - influence its direction, which may in turn influence the direction of social change.

The N.Z.B.C.'s leadership failed because it was unable to relate organisational purpose to a situation of increasing social and political complexity. This failure was particularly manifest in the Corporation's concern for programme "balance". The administration believed that all was well so long as criticism of the N.Z.B.C. came equally from "both sides". In Stringer's words, "Within our organisation we have own own yardstick to measure these situations. We know that if we score a roughly equal number of pinpricks and prods from both sides we must be steering straight down the middle. And this I am happy to say is usually the case."⁷⁸ This line of reasoning was based on a "scales of

75. Ibid.

76. Sceats to writer, May 21, 1976.

77. See, for example, D.M. White, "The 'Gatekeeper': A Case Study in the Selection of News", in L.A. Dexter and D.M. White (eds.), People, Society, and Mass Communications, Free Press, 1964.

78. Speech by Stringer to the Carterton Rotary Club, reproduced in Relay, February, 1970.

justice" mentality. It assumed that controversial issues could be defined in pro-and-con, for-and-against terms, in "left" versus "right", or impliedly, Labour Party versus National Party terms.

This perception, it may be argued, was a legacy of the post-1936 domination of New Zealand politics by two main parties, and of broadcasting's concern to protect both its political flanks. Perhaps, too, the institutionalisation of Parliamentary broadcasts had, over the years, reinforced a popular tendency to conceive of political conflict in these rather narrow terms. And it must be remembered that, as shown in Chapter 2, this preoccupation was inherited from the N.Z.B.S., which had stressed the necessity to ensure a balanced presentation of views within particular programmes in the belief that listeners would then be able to make up their own minds on an issue.

Whatever the reasons for it, by the late 1960s and early 70s, the administration's belief in the self-protecting "neutrality" of a middle ground prevented it from empathising with the perspectives of the journalistic staff, whose work at the interface between the organisation and its environment demanded a more flexible and open-minded appreciation of the changing social consensus.

In sum, the N.Z.B.C.'s leadership in the critical area of news and current affairs broadcasting was essentially defensive, a public justification of activities privately resented. It was "leadership" characterised by a lack of appreciation of journalistic values and expectations, by an inability to deal with moral complexity, and by - in the ultimate - a failure of nerve.

CHAPTER SIXTEEN: What Business Was the N.Z.B.C. In?

New Zealand's egalitarian ethos has always created a demand that the public broadcasting authorities extend transmission facilities throughout the country in the quickest possible time. This imperative had been a major factor in the demise of the Radio Broadcasting Company,¹ and was deemed to be the "initial and most important task" of the Broadcasting Board which replaced it.² Fulfilment of the electorate's demand for extended broadcasting facilities was one of two "outstanding features" of the 1936 Labour Government's plans for the development of radio,³ and in the late 1940s and early 50s further developmental impetus was provided with the establishment of local community radio stations.⁴

As pointed out in Chapter 5, the creation of the N.Z.B.C. was intimately bound up with the advent of television to New Zealand. It quickly became clear that the new organisation's main task was the development of television facilities. According to the Corporation's first Chairman, Dr. F.J. Llewellyn, "our preoccupation during the (first) three years was ... principally with equipment and building. Programme content, whilst it was the subject of many debates, was, other than the development of the news programmes, not our first priority."⁵ In its

1. Says Mackay, op. cit., p. 36:

"The Company was under-capitalised. It succeeded in providing a coverage for the main centres, but accomplished little throughout its short career to consolidate its position with the many thousands of listeners who lived outside the four main areas of population. Failure to provide for these people was the rock on which the Company foundered for they wished to proceed slowly, with no intention of sinking large sums of capital in any quick attempt at a national coverage."

2. A.G. Protheroe, op. cit., p. 70

3. Reported in The Press, July 2, 1936.

4. See Chapter 4.

5. Letter of October 28, 1975, from Sir John Llewellyn to writer. In a letter of May 31, 1976, another original Board member, J.A. Stenberg, explained that the Board's "objective for the first few years" was to satisfy the public demand for extended television coverage and improvement of radio reception in certain areas.

first Annual Report to Parliament, the Corporation noted that it had concerned itself with "two immediate tasks": to establish the status of the Corporation as an independent body, and to prepare a plan for future development. The latter was accorded "the greatest concentration of effort."⁶ Stringer (whose "administrative ability was soon channelled into an avenue which has been dominant in his career up till this day - development"⁷) has recalled that in its earlier years the Corporation deliberately "skimped" on programme expenditure in order to pour money into capital development.⁸ In July, 1963, the Minister of Broadcasting announced a £7½m capital development programme to extend coverage over the whole of New Zealand and to up-grade and expand radio facilities.⁹ By late 1964, the Corporation's objectives included the implementation of a second television channel. According to Llewellyn, the organisation's "immediate objectives" were the provision of a television programme available to everyone in New Zealand, followed by the introduction of a second channel, the development of studio facilities (so that locally-produced material could be increased), and the establishment of microwave links to enable simultaneous television broadcasting.¹⁰

As Selznick argues,

"the formation of an institution is marked by the making of value commitments, that is, choices which fix the assumptions of policymakers as to the nature of the enterprise - its distinctive aims, methods, and role in the community ... When such commitments are made,

6. N.Z.B.C. Annual Report for the year ended March 31, 1963, p.4.
7. "About the D.G.", Relay, March, 1967.
8. Stringer to writer, September 30, 1975.
9. Reported in The Dominion, July 11, 1963. Section 10 (1) (a) of the Broadcasting Corporation Act 1961 required the N.Z.B.C. to "carry on a broadcasting service within New Zealand and from time to time develop, extend and improve that service in the public interest." Capital development, it may be argued, was seen by the N.Z.B.C. to be the principal intent of this requirement. Almost identical provisions had been included in the Broadcasting Act 1931 (S. 15), and the Broadcasting Act 1936 (S. 4).
10. Reported in the N.Z. Listener, November 13, 1964.

the values in question are actually built into the social structure ... Leadership creates and molds an organisation embodying - in thought and feeling and habit - the value premises of policy."¹¹

Capital development quickly assumed a dominant position amongst the N.Z.B.C.'s value commitments. The "capital development programme" came to symbolise what the N.Z.B.C. stood for.

(Its centrality was underscored by the appointment of the Assistant Director of Engineering to the post of Director of Television, and - to a lesser extent - by the appointment, after the 1968/69 internal reorganisation, of a senior engineer as Planning Manager.)

The commitment of the N.Z.B.C.'s top management to the imperatives of capital development is clearly shown in the organisation's Annual Reports to Parliament. A count was made of the number of times references were made, in the general introduction to the reports for the years 1963-73, to particular topics. This check may be called a frequency count. In order to give the analysis a further dimension, all references were assessed in terms of their "intensity" - that is, the apparent emphasis placed upon them in the context in which they were made. Assessing intensity was necessarily a more imprecise task than counting the frequency of references, and was also a more subjective process. In this study the intensity of each reference was judged along a 1-5 scale (using quarterly percentage points) according to such factors as the length of the reference in relation to others, its juxtaposition to other items, and the tone of emphasis. Because all assessments were made by one person - the author - distortions resulting from differences in individual interpretation were obviated. An average intensity score was calculated (by adding up the individual intensity scores for each group of references and dividing it by the frequency count for that group), and this was then multiplied by the frequency count to give what has been called a "prominence index". Thus, the prominence index (P.I.) = $F \times I$, where F = the frequency count, and I the average intensity score. It may be said that the method of calculating P.I., while by no means rigorously exact, represents an attempt to make more systematic what would otherwise have been a purely impressionistic analysis.

11. Selznick, op. cit., pp. 55, 60, 62.

The frequency count made of the general introductions to the Annual Reports showed that statements relating to the development of television transmitting facilities scored the highest with 10, followed by general references to growth (particularly references to increases in licence numbers) with 7. References to the financial self-sufficiency of the N.Z.B.C., and to its low consumer cost, scored 6, along with statements about the N.Z.B.C.'s prestige in the eyes of overseas broadcasting organisations and its assistance to the same, and references to the fostering of national and/or community identity. The average intensity of the references to the development of television transmitting facilities was 4, giving by far the highest prominence index score, 40.¹² References to receiving licence and revenue growth were second with a prominence index of 21 (7 x 3.0), followed by references to the N.Z.B.C.'s financial self-sufficiency, 18 (6 x 3.0), and assistance to, and respect from, overseas broadcasting organisations, also 18 (6 x 3.0). Highest average intensity was accorded statements in regard to the N.Z.B.C.'s (political) independence (4.5), but actual references to this numbered only 2. In addition references to the expansion of television transmitting facilities were made every year, except in 1973, while references to aspects of growth were recorded in 1964, 65, 66, 67, 68, 69 and 70. Further, a measurement of the number of printed inches devoted to particular topics in the introductions to the Annual Reports reveals that capital development/growth topics received $56\frac{7}{8}$ ", compared with $24\frac{5}{8}$ ", for programme matters. This represented 40% and 17% respectively of the total relevant space. (The other 43% was given over to what could best be termed miscellaneous administrative comment.) Even were it conceded that capital development and administrative discussion is necessarily more "wordy" than programme discussion, then the dominance of the former

12. See Appendix F, for full results of frequency count, average intensity and prominence index.

may be demonstrated by other measures. In the general introductions to the Annual Reports, 1963-1973, the leading four subjects of discussion were analysed. Seventeen concerned capital development, 19 administrative, and 7 programme matters - a total of 36 capital development/administrative matters to 7 programme. Capital development was the leading topic of discussion on three occasions, administrative matters on 7 and programme matters on one only. Because several of the administrative matters related to changes in Board membership, and may be seen simply as "courtesy" references, the second topics of discussion were examined. This resulted in a score of 4 capital development, 4 administrative and 3 programme. It is also pertinent to note that the report for the year ended March 31, 1971, included a review of the previous ten years of television development in New Zealand. This summary was couched heavily in terms of physical development.¹³

Finally, an analysis similar to that carried out on the Annual Reports was conducted on the Director-General's messages (initially monthly, later less frequent) in the house magazine, Relay.¹⁴ The highest prominence index was recorded by references to staff teamwork and morale, 72 (24 x 3.0). Television capital development progress was second with 70 (20 x 3.5), ahead of references to public criticism of the N.Z.B.C., 69 (23 x 3.0), and receiving licence/revenue growth, 56 (16 x 3.5), assistance to, and respect from overseas broadcasting organisations, 52 (13 x 4.0), and public service broadcasting ideals 49 (14 x 3.5). Thus, the Director-General's message in Relay reflected the importance placed on television capital development and general (licence/revenue) growth, while serving as a vehicle for commendation of and appeals for staff teamwork and solidarity (as mentioned in Chapter 14), and as a means of reassurance in the face of public criticism of the N.Z.B.C.

13. See Appendix F, for copy of this summary.

14. See Appendix F, for full results of the frequency count, average intensity and prominence index.

A few examples serve to illustrate the N.Z.B.C.'s commitment to the imperatives of capital development, and growth in general. The fact that the comments are mainly those of Stringer is significant. As indicated, developmental involvement had been a central feature of his broadcasting career. An accountant by profession, he was undoubtedly "at home" in the management of capital resources. He was proud of the way in which he was able to negotiate governmental approval of capital development projects,¹⁵ and considered the Avalon television studio complex in the Hutt Valley to be of particular importance- "I was thrilled to be asked to lay that (foundation) stone ... (Avalon) was a dream of mine ... I'd bought the land and dreamt and worked for it ... practically every Sunday I go over it and woe betide the person who's messing around or driving a motor car on the lawn ..." ¹⁶ In July, 1964, Stringer told staff that there were

"more changes in hand and in prospect over the whole wide range of N.Z.B.C. activities than I ... can

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15. See Chapter 7. Stringer prided himself on his ability to time his approaches to Government for capital works approval: "It is not usually hard to find out WHY something needs doing, or HOW it can be done; but you must be able to trust your judgement in knowing WHEN to do it." - "About the D.G.", in Relay, March, 1967.
 16. Reported in Salient (Victoria University of Wellington), August 5, 1970.

recall for any other times in our organisation's history. Capital expansion involving millions of pounds; the introduction of a network radio programme with all its countless implications; increased racing broadcasts; further expansion of the news service; enlargement of the Symphony Orchestra; varied enrichment for the scope of local broadcasting for stations not concerned with the new link arrangements - these are but a few of the ... hundreds of items which make up¹⁷ the N.Z.B.C.'s current inventory of progress."

In January of the following year, he greeted recruits to the organisation with the promise that they had "joined our ranks in a year which promises to be a peak development one in the history of the N.Z.B.C."¹⁸

At the end of the year, Stringer conceded that

"although it was easy at the beginning of the year to forecast bigger and better things ahead, 1965 did promise to be a peak developmental one for the Corporation. In particular, I had in mind capital development - in terms of the seven-year expansion programme; but with hindsight, I can now say that administrative and programme development could also have been included in that prophecy."¹⁹

The following year, the new appointees to the Board of the N.Z.B.C. were greeted with the news that they were entering "a flourishing and expanding Corporation."²⁰ The same year, the Minister of Finance (H.R. Lake) commented that the "N.Z.B.C. had done a magnificent job" in expanding the television service. He was replying to criticism from the editor of the magazine Televiewer that the Corporation had spent too much on capital development and not enough on programmes.²¹ According to Stringer, the N.Z.B.C. was "straining its resources" to screen 50 hours of television per week.²²

By 1968, the accent was still on capital expansion. Stringer

17. Relay, July, 1964.

18. Relay, January, 1965.

19. Relay, November/December, 1965.

20. Relay, March, 1966.

21. Reported in The Evening Post, May 30, 1966.

22. Reported in The Evening Post, May 6, 1966.

told staff that "good quality reception has in all cases been the principal concern of the N.Z.B.C. and it has always proved to be the main factor in meeting the demand of the viewer."²³

1968, he said, had been a year of "consolidation rather than one of spectacular development... Next year it is hoped that engineering projects ... will bring an improved service to many parts of the country. Microwave and off-air links ... will be perhaps the most significant development since television began..."²⁴

A year later, the Director-General heralded a new decade. It was easy, he argued

"in our striving for further and higher goals to put behind us and take for granted the enormity of the tasks we have so recently accomplished - the introduction and penetration of television to most parts of our contorted land; the transition from a government department to a public corporation; the introduction of an independent news service; the coming of the national programme and, last year the adoption of regionalization."

The years ahead, however, would see no diminishing of the "stimulating projects for broadcasters." These included "the use of statellite pictures received at a New Zealand ground station ... the commissioning of ... Avalon ... Also, the glamour of a colour television set in our homes..."²⁵

The relationship between the N.Z.B.C.'s finances and the organisation's capital development objectives seldom failed to gain a mention in the Director-General's public addresses. For example, addressing the Christchurch Branch of the National Council of Women on the subject of television commercials, Stringer pointed out "as an incidental" that the "N.Z.B.C. is a completely self-supporting body and like any other trading organisation

23. Relay, August, 1968.

24. Relay, Nov./Dec., 1968.

25. Relay, January, 1970.

pays income tax on its commercial activities..."

Every penny of its annual surplus, he pointed out, had "already been outlaid on capital development ... in terms of the seven-year development programme approved by the Government in July, 1963."²⁶

As Charles Perrow has pointed out,

"it is vital for the organisational leader to transcend the technology of administration and to focus upon such matters as organisational mission and character and the responsiveness of the inevitably bureaucratic, authoritarian organisation to a presumably democratic society."²⁷

Under Stringer's leadership the N.Z.B.C. responded to the public expectation that, in particular, the means of television reception would be provided throughout as wide an area of New Zealand as possible, as quickly as possible. According to Stringer, there was "no more acute sensor of public opinion in New Zealand than the Member of Parliament."²⁸ A tentative measure of the broadcasting matters of most concern to Parliamentarians is provided by an analysis of Parliamentary questions on broadcasting matters in the years 1962 - 72 (see Figure 1).²⁹

26. Address to the Christchurch Branch of the National Council of Women, June 17, 1965.

27. C. Perrow, op. cit., p. 181.

28. Stringer to writer, October 7, 1975.

29. See Appendix G, for detailed figures.

FIG. 1: N.Z.B.C. PARLIAMENTARY QUESTIONS, 1962-72

The graph shows that only in 1964 was there a significant excess of Parliamentary questions on capital development over those on programmes. In 1965, the numbers were about equal, but from then on expressed interest in programme matters considerably outran interest in capital development.

(Too much should not be read into these figures - they do not show the extent to which M.P.s took up the respective matters directly with the N.Z.B.C.) The figures might suggest that the N.Z.B.C.'s preoccupation with capital development outstripped the public's prior interest in programme matters. This interpretation seems misleading, however. Television was a novel medium for New Zealanders in the 1960s, and considerable interest was displayed in programme content. (The figures show that the ratio between Parliamentary questions on television and radio programme matters was nearly 4:1.) Questions were generated by viewers within those areas where television reception was available, but the availability of reception necessarily preceded the interest in programmes. Moreover, because the N.Z.B.C. regarded capital expansion as its major organisational task, it made particular efforts to explain and justify these activities to the public. These efforts may, in turn, have pre-empted Parliamentary questions in this area.

The Corporation established a public relations office in 1963. According to the organisation's first public relations officer the principal function of the office was to carry out "fire-brigade" duties in response to criticism made of the N.Z.B.C. from time to time.³⁰ The office was mostly engaged in responding to local demands regarding the advent of television transmission facilities.³¹ New Zealand's spirit of egalitarianism was expressed through the extension of television reception. Everyone wanted it at once. Nor did the pressure come only from local communities. The expansion of television was big business. (According to former Minister of Broadcasting, A.E. Kinsella, the decision was taken early that the medium should be introduced gradually to prevent a "boom and bust" situation in the manufacture of television receiving sets.³²) The N.Z.B.C.'s developmental

30. R.G. Bachop to writer, undated conversation.

31. This is apparent from a perusal of the public relations files.

32. A.E. Kinsella to writer, May 18, 1976.

policies had to be justified not only to the public, but to the television manufacturing and advertising industries as well. And the justifications had to address a fundamental tension - between the speed at which the development programme could be implemented and the demands made upon the organisation for rapid if not immediate provision of coverage. This was perceived by the N.Z.B.C. as being the primary legitimisation task confronting it. In an article supplied to a trade magazine in April, 1965, the N.Z.B.C argued that,

"...each and every individual task involved in providing a television service is fraught with countless difficulties - many of them attributable to the rugged New Zealand terrain.... An equally important factor in determining the pace of development is the amount of manpower available for engagement on the projects ... Faced with these difficulties the Corporation ... recognised that the most expedient and sound way in which to achieve its objective of a comprehensive nation-wide television service would be to follow a carefully blue-printed schedule of priorities ... Since the development programme was launched the N.Z.B.C. has adhered rigidly to its priority schedule, fully aware that if it were to be swayed by pressure from various sections of the New Zealand public for an even faster service, then the whole programme would be completed in a haphazard manner which would ultimately give viewers little or no satisfaction."³³

The Director-General's annual address (considered by him to be his most important³⁴) to the Conference of the Association of Accredited Advertising Agencies invariably was at pains to emphasise the extent of broadcasting growth: in particular, licence numbers, and the expansion of television and commercial radio facilities. An excerpt from Stringer's address to the 1967 conference captures the general tone:

"Since last year's conference we have opened two more 100 kilowatt television stations ... The completion of these major projects means that the N.Z.B.C. is well on the way to completing the permanent TV coverage of New Zealand ... We estimate that Wellington's new transmitting station on Mt. Kaukau has brought an additional 62,000 viewers into the station's zone-one coverage area ..."³⁵

33. Home Appliance Sales and Servicing News, April 20, 1965, p.3.

34. Stringer to writer, October 7, 1975.

35. Address to Annual Conference of the Association of N.Z. Accredited Advertising Agencies, March 13, 1967.

The pressures bearing upon the N.Z.B.C. in regard to the expansion of the television service are apparent in its 1963 decision to allow the setting up of privately-operated translator stations to provide interim reception in localities which would otherwise (in terms of the Corporation's priority schedule) be required to wait years for adequate reception. Considerations of revenue and public opinion were central to the decision. Wrote Stringer,

"The spread ... of private translators, would present complications from the N.Z.B.C.'s technical and administrative points of view; but on the other hand, it was impossible for the Corporation to implement its New Zealand-wide coverage plans simultaneously in all regions - desirable as this was. Obviously, the licensing of private translators would bring a service to thousands of viewers sooner than would otherwise have been possible... Other pertinent factors in favour of private translators were finance: more revenue would accrue from the increased numbers of receiving-set licences taken out and from additional advertising revenue resulting from wider coverage; and public opinion. Would the public accept a decision rejecting the private translator proposals ...? It was most unlikely, for the people living in those regions further down the N.Z.B.C.'s priority schedule had been shown by events in Rotorua that an interim service - of sorts - was possible. And the attractions of television were hard to resist."³⁶

The N.Z.B.C.'s preoccupation with capital expansion was, in large part, a response to the public demands made upon it. It was ironical that this same responsiveness exacerbated its own organisational problems. To employ Bennis's

36. Gilbert H. Stringer, "The Establishment of Private Television Translators in New Zealand", op. cit., p. 25. The "events" in Rotorua were the innovative actions of a local radio technician, who set up the first such translator in 1962. The translator societies, which numbered 46 by late 1965, and the individual "mini-translator" operators (240 by that time), became client groups of the N.Z.B.C. Their administration generated a heavy workload for both the engineering and administrative staffs. A source of some friction between the Corporation and the translator operators was the fact that the N.Z.B.C. paid a maintenance subsidy only, and nothing towards the capital costs of construction and installation. See, for example, N.Z. Truth, July 7, 1964.

terminology, the Corporation's concern with the "adaptability" process helped to undermine the process of "reciprocity" - "which somehow or other gets the organisation and (its) participants to accommodate to their respective goals."³⁷ In response to Drucker's leadership question, "what business are we in?"³⁸ the N.Z.B.C. replied, albeit by implication, not in terms of programme preparation and presentation, but of capital development and general growth. Thus, it did not, in effect, define its mission - its essential raison d'être - as broadcasting. Stringer has conceded that, especially in the years 1962-68, the N.Z.B.C. was - in essence - a capital development organisation rather than a broadcasting organisation, as such.³⁹ Its problem of ensuring reciprocity flowed from the major divergence between the leadership's definition of the organisation's mission, and the professional values of the programme, particularly the journalistic, staff. This fundamental tension was exacerbated in a manner suggested by Selznick:

"...the function of the leader-statesman - whether of a nation or a private association - (is) to define the ends of group existence, to design an enterprise distinctively adapted to these ends, and to see that that design becomes a living reality. These tasks are not routine; they call for continuous self-appraisal on the part of the leaders; and they may require only a few critical decisions over a long period of time." (Emphasis added.)⁴⁰

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37. Warren G. Bennis, "Organisational Developments and the Fate of Bureaucracy", in F.A. Kramer (ed.), Perspectives on Public Bureaucracy, Winthrop, 1973, pp. 161-184.
38. Says Peter F. Drucker ("New Templates for Today's Organisations", Harvard Business Review, Jan./Feb., 1974, p. 52): "... structure is a means for attaining the objectives and goals of an institution. And if structure is to be effective and sound we must start with objectives and strategy ... Strategy - that is, the answer to the question: What is our business? What should it be? What will it be? - determines the purpose of structure."
39. Stringer to writer, July 13, 1976.
40. Selznick, op. cit., pp. 37-38.

If the positive "critical decisions" embodied in the promotion to pre-eminence of the seven-year plan forged an organisational identity built around developmental values, then the negative "critical decisions" which occurred at almost regular intervals throughout the N.Z.B.C.'s "career" undermined the journalistic staff's confidence in the N.Z.B.C.'s administration, made it more difficult for them to identify with the organisation - in Selznick's words, more difficult for them to value the organisation "not as a tool but as an institutional fulfilment of group integrity and aspiration"⁴¹ - and weakened their commitment to it. (The critical negative decisions in question included, for example, the Bidault decision in 1963, the Herd decision in 1965, the Bick episode in 1966, the Broadcasting Authority Bill/"Compass" decision in 1968, the "Edwards Show" decision in 1970, the McCready (Minister of Defence) incident in 1972, and the climactic MacLeod affair of 1972.)

The emphasis on physical development continued through until 1972 (and beyond). Towards the end of 1970, Sceats identified the N.Z.B.C.'s main objectives as the operation of a second complementary television channel in colour, the conversion of the existing channel to colour, and the rendering of one channel fully commercial and the other non-commercial.⁴² (However, the Corporation's desire to control any second channel - the Broadcasting Authority had begun its hearings into the question - undoubtedly derived from its perceived responsibilities as a public broadcasting organisation. This was made clear by Sceats on his appointment as Director-

41. Ibid, p. 16.

42. Relay, September/October, 1970.

General.⁴³ In other words, it was not growth per se that was of primary importance, but growth in order to protect the economic viability of public broadcasting from the threat posed by profit-oriented competitors. As noted above, in its Annual Report of 1971, the Corporation reviewed the previous decade of television expansion, referring prominently to the seven-year plan, and in a note of self-congratulation recorded that "the progress that has been made, with limited resources, compares most favourably with other countries..⁴⁴ The following year the Report noted that, "despite the difficult financial conditions there has been no reduction in programme services and in accordance with its statutory responsibility 'to develop, extend and improve its services in the public interest' the Corporation has continued to expand its coverage in both radio and television."⁴⁵ Finally, in its Report of

43. Sceats told a news conference, shortly after his appointment, that his main plans for the N.Z.B.C. revolved around "the Corporation's long cherished desire to present television programmes on alternative channels so that the viewers in New Zealand can have genuine complementary alternative programmes rather than alternative programmes which may be competing on a rating basis for popularity ... In other words, public service broadcasting; the most important element in broadcasting ... is the public that is served ... Certainly, we could expect that if the N.Z.B.C.'s financial resources are substantially affected by the activities of a private operator, then if the N.Z.B.C. is to carry out its statutory obligation, it can only do so within the limitation of the revenue available to it. The private operator must operate at a profit ... Similarly the N.Z.B.C. if it is to fulfil its function as the trustee of the licence-holders of New Zealand, must operate fundamentally with what I would term a surplus. It is what the money is used for that is the distinction ... We've got a Symphony Orchestra that has grown through the years ... We are encouraging the arts, we support the development of orchestras ... and we have contributions from artists of all types, be they writers, actors or musicians." — From the transcript of the news conference, reproduced in Relay, May, 1970.

44. N.Z.B.C. Annual Report for the year ended March 31, 1971, p. 5.

45. N.Z.B.C. Annual Report for the year ended March 31, 1972, p. 6.

1973, after the new Labour Government's plans had become known, the N.Z.B.C. addressed itself to what had become a major issue. "It had been argued," it said, "that more ... moneys should have been spent on programming. It is quite true that more could have been allocated in this way, but to the detriment of both the extent and standard of coverage."⁴⁶

Like the former Broadcasting Board, the N.Z.B.C. was successful in extending transmission facilities throughout New Zealand, an achievement which has been generally acknowledged despite criticism from parts of the country lower down the development schedule. This was a mission with which the N.Z.B.C.'s administration felt comfortable. The Board, for example, preferred McKinnon's more certain, decisive and less time-consuming style of Chairmanship to McFarlane's more deliberative, reflective and drawn-out style. This preference stemmed from their experiences in business management.⁴⁷ It also reflected their view of the N.Z.B.C. as essentially a business organisation, embarking on a period of rapid and extensive growth. Money had to be earned and spent; hard decisions had to be taken. However, McFarlane's Post Office career had also given him a familiarity with the issues of technical development, and was undoubtedly a convenient consideration in his appointment. (The N.Z.B.C.'s eagerness to enhance its autonomy in the pursuit of its developmental mission was apparent in its desire—ultimately fulfilled—to establish and control its own television microwave links, rather than operate facilities set up by the Post Office.

46. N.Z.B.C. Annual Report for the year ended March 31, 1973, p. 5.

47. Letter of June 30, 1976, from former Board member R.K. Trimmer to writer: "I am firmly of the opinion that the chairmanship exhibited by ... McKinnon was far superior to the gentle hesitancy and dithering of McFarlane." Similar sentiments were expressed to the writer by another Board member, R.J. Laurenson, in an interview on May 25, 1976. It was Laurenson, who, according to M.H. Holcroft, wanted to see the Listener farmed out to private enterprise. Holcroft, as Editor, had to persuade the Board of the public service responsibilities of the journal while himself realising that the "safety of the journal" lay in making a profit. - See M.H. Holcroft, Reluctant Editor, op. cit., pp. 191-7.

McFarlane himself was of the opinion that microwave links should be provided by the Post Office as the common carrier.⁴⁸⁾ Moreover, there was Stringer's own administrative background in this area. In short, the Board and the Director-General (not to mention the Director of Television) were the right people, in the right place at the right time in the "career" of the N.Z.B.C.

The problem was, however, that they were also the wrong people at the wrong time, that the organisational identity they promoted was inappropriate to the leadership task of maintaining an equilibrium between the processes of organisational adaptability and reciprocity. It was argued in the previous chapter that the N.Z.B.C.'s administration was uncertain in dealing with questions of moral complexity, that, particularly in the case of Board members, their business backgrounds and largely conservative, middle-class, backgrounds inhibited their appreciation of the organisation's relationship to a social environment that was becoming more ambiguous, less certain of its traditional values.

As Drucker has pointed out,

"A success that has outlived its usefulness may, in the end, be more damaging than failure. Especially in a service institution, yesterday's success becomes 'policy', 'virtue', 'conviction' if not indeed 'Holy Writ', unless the institution imposes upon itself the discipline of thinking through its mission, its objectives, and its priorities ... "⁴⁹

In the period 1962 - 1968, the success of the N.Z.B.C. could be defined in terms of its capital development achievements, its commitment to the values of "growth" in general. This conception of success was firmly imbedded in the organisational ideology as expressed, for example, in the Annual Reports. The ideology, however, embraced other values. These included the financial self-sufficiency of the N.Z.B.C; its low cost

48. N.Z.B.C. Board Minute, March 21, 22, 1967.

49. Peter F. Drucker, "Managing the Public Service Institution", The Public Interest, Vol. 33, Fall, 1973, p. 59.

to the consumer; the respect the N.Z.B.C. enjoyed in the eyes of overseas broadcasting organisations; the fostering of a national identity; the favourable comparison of its achievements to those of overseas organisations with far greater resources.⁵⁰

Importantly, the attention which was paid to most of these values meant that the engineer was depicted as something of a hero-figure within the N.Z.B.C. The engineer personified the organisation's mission. The N.Z.B.C., by virtue of its engineers, could "do the job" in spite of difficulties the likes of which were not faced by the organisation's (the engineer's) counterparts in other countries. Furthermore, it could be done within the constraints of financial self-sufficiency. The engineer, and his technical colleagues, symbolised all that was best in New Zealand broadcasting. In August, 1964, for example, the Listener recounted how site-testing teams had to learn a variety of extra skills in order to get their work done: "they have felled trees and sawn through windfalls, shovelled mud, dug out Landrovers, and become adept at repairing motors, rigging masts and reading maps..⁵¹ The extension of a television signal to South Otago and Southland was described in graphic terms:

"Throughout New Zealand this advancement of the frontiers of television means cold nights under flimsy shelter afforded by a tent atop a peak lashed by wind, rain or snow; felling trees, shovelling mud; digging out bogged vehicles; repairing engines in non-man's land; rigging masts for test transmissions; climbing steep and bushed country in bad weather."⁵²

Late in 1971, the commissioning of television coverage for the Nelson/West Coast regions was heralded by the Director of the Central Region as "a highly significant and complex engineering feat."⁵³ The virtue of the Corporation's engineering "hero" was born of necessity: New Zealand's

50. See Appendix F, for examples of assertions embracing these values.

51. N.Z. Listener, August 28, 1964.

52. N.Z.B.C. supplement, published in The Southland Times, October 23, 1964.

53. Relay, October/November, 1971.

difficult terrain posed major reticulation problems, the solution to which not only had to precede programme advances but also demanded a high concentration of engineering and administrative attention.

Moreover, the engineer's status stemmed from his control over technological uncertainty, not just in the general area of capital expansion, but in the field of programme innovation. For example, in September, 1971, a Sunday newspaper was told by the N.Z.B.C. that it was "something of a miracle that N.Z.B.C. engineers have managed to achieve a generally reliable signal in news and 'Gallery' programmes without the safeguard of a complete microwave link ... The extremely contorted nature of the land does not help ... and New Zealand, unlike other major overseas countries, faces greater proportional costs and problems in television engineering."⁵⁴ In April, 1967, Stringer told staff that "1960 to 1966 will be remembered in the story of New Zealand television as the great years of expansion". He paid tribute to the engineers for their achievements in facilitating New Zealand's longest television outside broadcast (O.B.), the first simultaneous transmission over two television stations, and the first New Zealand-wide television hook-up.⁵⁵

The central importance of the engineer is to be expected when a public broadcasting organisation is embarked on a period of major physical expansion. The point is well made by a former President of the Canadian Broadcasting Corporation. According to Laurent Picard, broadcasting, like other "products" is subject to a "life cycle": the innovative stage during which consumers are "far more interested in the novelty than in the intrinsic quality of the product"; a second stage of "rapid growth" during which the problem "for the firm" is "to organise production and distribution to meet demand"; a "maturity" stage when the rate of market growth falls off considerably, adjusting

54. Letter from Public Relations Manager to Editor,
The Sunday Times, September 21, 1971.

55. Relay, April, 1967.

itself to normal population growth; and a fourth stage when substitutes begin to "oust the product from the market or decrease its potential" and when the product must "redefine itself in terms of basic consumer utility and value."⁵⁶

Stage one, in which the novelty of the product - television - was paramount, ran from 1960, when regular telecasting was introduced by the N.Z.B.S., to about 1963. The N.Z.B.C. then embarked on stage two - that is, rapid expansion. As Picard points out, "in the rapid growth phase .. the important thing is to develop production facilities such as studios, distribution systems, and transmitters ... The engineers are often the chief decision-makers during this phase, and leadership wells from a technically-dominated structure."⁵⁷

This is close to Selznick's distinction between an organisation and an institution. The former is an "expendable tool, a rational instrument engineered to do a job." The latter is "more nearly a natural product of social needs and pressures - a responsive, adaptive organism."⁵⁸ The difficulty for the N.Z.B.C. was that it could not "institutionalise" itself as a capital development organisation because these key values were almost irrelevant to those which shaped the expectations of programme, particularly journalistic, staff. The "maturity" stage of which Picard speaks was when, from about 1968 to 1970, capital development eased off and current affairs programming emerged. (It should be remembered that the status of the engineers was effectively downgraded in the 1968/69 reorganisation, when the post of Director of Engineering was abolished. As pointed out in Chapter 8, this action was strongly resented by the engineers. The power of the engineers stemmed not just from the developmental imperatives which have underpinned New Zealand broadcasting, but also from the autonomy they derived from their clear professional status. The reorganisation involved an attempt to curtail this autonomy and thus reassert administrative control. Engineering became one "portfolio" among those administered by a particular Executive Director.) The fourth stage, which the N.Z.B.C.

56. Laurent Picard, op. cit., pp. 4-11.

57. Ibid, pp. 9-10.

58. P. Selznick, op. cit., p. 5.

entered about 1970, was when it was constrained to think about and articulate on its social responsibilities - "to redefine itself in terms of basic consumer utility and value." Unfortunately, however, organisational leadership - as shown - was inadequate to this task.

The formalistic approach adopted in this regard, and the insecurity experienced in the face of moral complexity, have already been noted. Another important element in the abrogation of this responsibility, however, seemed to arise out of the underlying commitment to the rationality of development and growth. This was the overwhelming tendency to justify the organisation's activities in terms of the quantifiable and the tangible. It reflected, again, an insecurity in the face of the uncertain, the ambiguous, and the morally arguable.

This tendency was apparent in many expressions of organisational achievement. Some random examples are illustrative. On returning from a Commonwealth Broadcasting Conference in 1965, Stringer told staff of

"an eagerness for information about New Zealand and a great interest in our programmes. I was indeed grateful for the excellent start made by our Overseas Programme Exchange Service which was instituted this year. During the last six months, 110 programmes have been compiled and from these more than 2000 copies have been sent to 56 countries ... The output of the N.Z.B.C. can no longer be regarded as being merely for domestic consumption.."59

Three years later, Stringer told staff that "probably no commodity is 'exported' from New Zealand to so many places on the map as radio and television programmes from the N.Z.B.C.'s Overseas Programme Exchange Service."⁶⁰ In 1970, he told the New Zealand Federation of Operatic Societies that, "when one looks at (the N.Z.B.C.'s) balance sheets since we became a corporation in 1962 we assume the image of a cultural Golden Kiwi. Since 1962 our net expenditure on the musical output

59. Relay, October, 1965.

60. Relay, July, 1968.

of this country through our concert activities exceeds \$4m."⁶¹
 In similar vein, the 1965 Annual Report expressed the N.Z.B.C.'s
 "considerable contribution towards the work of cultural
 organisations in New Zealand" - £10,000 paid to the Queen
 Elizabeth the Second Arts Council to aid the establishment
 of regional orchestras and the development of music throughout
 the country.⁶² In 1971, the N.Z.B.C. told a Sunday newspaper
 that,

"The N.Z.B.C. is not a profit-motivated commercial
 enterprise with each separate activity separately
 financed. The term 'profit' is not used in the
 Corporation's report ... The N.Z.B.C. (exists) ..
 to provide a service to the whole country in the
 public interest ... Every single dollar of surplus
 income accumulated by the Corporation is spent
 ultimately on the improvement and development of its
 services to the public ... It follows that any policy
 change that effectively reduces the Corporation's
 ability to earn advertising revenue ... can only
 result in increases in the licence fee to the public if
 the present services ... are to be maintained."⁶³

Also in 1971, the Corporation promised "to preserve to the
 fullest extent possible the service that has been built up
 over the past 40 years. At small cost it has so far provided
 technical and programme standards that compare favourably
 with the highest in the world."⁶⁴

The N.Z.B.C.'s concern with the measurable and tangible can be
 explained partly by the fact that it was a public agency
 spending public (as distinct from taxpayers') money. As such
 it no doubt felt the need to demonstrate that the public was
 receiving "value for money." The point is made by Sjoberg et al
 that, "bureaucracies are under constant pressure to define their
 goals so that the efficiency of their programmes can be
 measured."⁶⁵ He goes on to say that, unlike corporate

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61. Speech by Stringer to the 10th Annual General Meeting
 of the N.Z. Federation of Operatic Societies, April 4, 1970.
 62. N.Z.B.C. Annual Report for the year ended March 31, 1965,
 pp. 6-7.
 63. Release to Editor, The Sunday News, dated September 28,
 1971. On N.Z.B.C. file.
 64. N.Z.B.C. Annual Report for the year ended March 31, 1971,
 p. 7.
 65. G. Sjoberg et al, "Bureaucracy and the Lower Class",
 in E. Katz and B. Danet (eds.), Bureaucracy and the
 Public, Basic Books, 1973, p. 63.

systems, client-centred bureaucracies experience difficulties in specifying their goals and evaluating their efficiency. Thus they tend to use simplified operational definitions by which their effectiveness may be judged: "these operational criteria reflect the orientation or view of persons in positions of authority within the bureaucracy and the broader society", and "through this procedure the ... organisation can ensure its success, and it can more readily demonstrate to the power structure that the community or society is 'getting something for its money.'"⁶⁶

To this end, the N.Z.B.C. publicly emphasised its financial self-sufficiency. It was also keen to counter charges that its financial surpluses represented "profits". As Stringer put it,

"Contrary to widespread belief, not a penny of the corporation's income is drawn from the tax-payer's purse, the N.Z.B.C. being one of those rare public service organisations which can fully pay its way from its own finances ... Every penny of the past year's £1,310,389 surplus ... has been committed to the year's capital expansion ... Nor will this be the only year in which the entire operating surplus is committed to capital development. The same will apply at least until 1971, when the comprehensive internal services the New Zealand public has come to expect from the N.Z.B.C. will have been provided."⁶⁷

The "success" of which Sjoberg speaks (possibly a stronger motivational imperative with newly-established organisations, keen to demonstrate their effectiveness) may, however, be problematical, if one considers both the reciprocal and the adaptive organisational processes. Consider Drucker:

"Achievement is never possible except against specific, limited, clearly-defined targets, in business as well as in a service institution. Only if targets are defined can resources be allocated to their attainment, priorities and deadlines be set, and somebody be held accountable for results. But the starting point for effective work is a definition of the purpose and mission of the institution - which is always 'intangible', but nevertheless need not be vacuous." (Emphasis added.)⁶⁸

66. Ibid.

67. G. H. Stringer, "N.Z.B.C. Earns £7.2 million - And More Than Pays its Way", op. cit., p. 10.

68. Peter F. Drucker, "Managing the Public Service Institution", op. cit., p. 49.

The N.Z.B.C.'s mission (capital development and growth) was implicit in the leadership's preoccupation with targets. It emerged by default rather than by design, because the administration was more comfortable with the notion of targets. These are measurable, tangible (whether or not they are actually achieved). An organisational mission on the other hand is - as Drucker suggests - intangible, inevitably value-laden, and of necessity ambiguous in affording legitimacy to a plethora of conflicting expectations, values and interests. (The producer of "Gallery", D. Monaghan, for example, has spoken of his own feeling of unease at being the only current affairs producer, for the only current affairs programme on the only television channel in New Zealand. No sense of direction and purpose was imparted to him by the organisation's top administration.⁶⁹) It was far easier for the N.Z.B.C. to show progress in capital expansion and to point to the rapid growth in television receiving licenses than to demonstrate any achievement in raising popular understanding of public issues, or in elevating levels of cultural appreciation.

The administration's propensity to take refuge in the quantifiable and tangible, rather than the uncertain and ambiguous, was apparent in its "both sides" assessment of criticism, referred to in the previous chapter. Although a legitimate defensive tactic, it was also evident in the pre-General Election policy of keeping a strict arithmetical check on the air-time given the main political parties in news bulletins. According to a former Editor of the News Service, this record was kept to ensure that any imbalance was restricted to an "infinitesimal degree". It constituted important evidence against any charges that the Corporation was not fulfilling its duties "impartially".⁷⁰ News coverage thus became a numbers game.

69. D. Monaghan to writer, July 15, 1976.

70. R.E. Coury to writer, October 8, 1975.

Black people make up 73 percent of South Africa's population, but:

- No black people can vote.
- Three and a half million black people have been forcibly removed from their homes.
- 100,000 black people are arrested every year under the pass laws.
- Over 300 black people have been murdered by South African police since August 1984.
- Black people are allowed to own only 13 percent of the land.
- Most black workers cannot live with their families.

THE TOUR IS AN INSULT TO THE BLACK PEOPLE OF SOUTH AFRICA.

Join the united voice of black organisations who oppose this tour – African Nationalist Congress (ANC), Pan Africanist Congress (PAC), Azanian People's Organisation (AZAPO), South African Council of Sport (SACOS).

THERE IS NO NORMAL SPORT IN AN ABNORMAL SOCIETY.

It was not until 1969 that, as part of the internal reorganisation, the N.Z.B.C. formally adopted a set of general goals which explicitly identified the principal mission of the organisation. This was "to maintain broadcasting services in

to act without fear or favour to

namely, that the Corporation would "as it considers appropriate encourage and support the arts in the community, particularly those associated with broadcasting." There was, in short, little in these objectives that was reminiscent of an active idealism such as that propagated by Lord Reith. And while they did signify a new commitment to programming values, unlike the enthusiastic acknowledgements of development and growth characteristic of previous (and later) years, they evinced little sense of administrative inspiration. Nor is it clear that the organisation's leaders took seriously the task of propagating these objectives. Sceats has conceded that more could have been done to bring them to the attention of staff,⁷⁴ and it is significant that they were not spelled out in the Corporation's annual report after their adoption.

In the final, 1975, issue of Relay, marking the abolition of the N.Z.B.C., the retiring Director-General reviewed the accomplishments of the Corporation from 1962-1975. Among them he recorded the "proud record of achievement in the fields of equipment and operations."⁷⁵ In his summary, Sceats referred to a "potted history" of the N.Z.B.C.'s "real achievements" which "repays study by all staff". This history - on the front page of Relay - was couched almost exclusively in terms of factual events and tangible results, with little if any attempt to elucidate the purposes or philosophy which may have guided or underpinned them. For example, under "1964" it was recorded baldly that, "The two most significant events of the year for non-commercial radio were the start of the YC's as a network on 11th May, and the inauguration of the National Programme on 15th September. A Maori Programme Section was formed"⁷⁶ The record of "1963" was summarised as follows:

74. Sceats to writer, May 21, 1976. The objectives were distributed to section heads and station managers.
75. "Retiring D.G. Surveys Term of N.Z.B.C.", in Relay, 1975. Sceats' summation, reproduced in Appendix F, provides a concisely typical summary of most of the main values and concerns publicly espoused by the N.Z.B.C. during its existence. Major N.Z.B.C. capital development projects, 1962-73, are set out in Appendix H.
76. Relay, 1975.

"Broadcasting House, Wellington, was opened by the Governor-General, Sir Bernard Fergusson, on 16 September. N.Z.B.C. radio stations were broadcasting 4,000 programme hours a week. There was a spectacular growth in the number of TV licences issued. On 31 March, 1962 there were 23,343 TV sets licensed in New Zealand and by the same time the following year the number had risen to 81,839."⁷⁷

And that of "1967" in similar fashion:

"By 31 March 1967 the total of TV licences was 529,888 making 71 percent of New Zealand households. TV programmes such as 'Country Calendar', 'Looking at New Zealand', 'Town and Around' and 'Compass' were produced. The Radio licence figure rose to 656,968."⁷⁸

The entry under "1968" simply recalled among other things that, "The current affairs programme 'Gallery' was introduced on N.Z.B.C.-TV in May."⁷⁹

While this summary must be accepted for what it is, a "potted history", nevertheless it is indicative of the ideology of expansion and growth - physical development - which permeated the N.Z.B.C. throughout its career. Significantly, the summary noted that, "Engineering developments and expenditure were so extensive over the next 13 years (from 1962) it has been necessary to cover them separately."⁸⁰ This was done by the inclusion in the same issue of Relay of a detailed full-page summary entitled "An Era of Engineering Achievement." (In spite of this separate coverage, however, the "1970" entry in the potted history itself summarised the "end of the first decade in TV transmission in New Zealand" in terms of capital development only.⁸¹)

77. Ibid.

78. Ibid.

79. Ibid.

80. Ibid.

81. "1970 saw the end of the first decade in TV transmission in New Zealand. Transmission which first began in Auckland from a single 0.5kW transmitter with a programme service of six hours each week had expanded to the point where the Corporation was operating six transmitters of 100kW and over 67 of lower power, with a programme service of 65 hours a week. In all installations allowance had been made for two-channel operation. The Corporation also established a network link used primarily for news and events of special topicality." — Ibid.

There was no attempt to summarise or reflect upon the social objectives that, over a period of 13 years, the N.Z.B.C.'s programming policies may have been designed to serve, or to assess how successfully they were pursued.

The Corporation, its role in the emergence of news and controversial broadcasting notwithstanding, remained in essence a developmental organisation whose identity was shaped by the values and expectations associated with capital expansion.

CHAPTER SEVENTEEN: The N.Z.B.C., the Press, and the
 Programme Advisory Committees

In its search for operating autonomy the N.Z.B.C. needed the assistance of a favourable public image. As J.D. Thompson points out in his study of organisations' relationships with their environments, "acquiring prestige is the 'cheapest' way of acquiring power."¹ Such de facto power may be based on the degree of public support for the organisation in question. In his study of the police, Hahn argues that

"unlike many other government agencies whose programs may bestow major benefits upon specific segments of the population that can be depended upon to provide energetic political support for their activities, the police forces are unable to develop an identifiable constituency that enjoys the advantages of their services and will become politically active in promoting the value of their work." ²

The problem for the N.Z.B.C. was almost the exact opposite. For much of the period 1962 - 72, it was the sole broadcasting authority in New Zealand. (For the whole period it was the sole television broadcasting organisation.) And the whole population was touched by its services in an immediate and visible way every day. It was impelled, by the nature of its tasks, to try to meet a wide range of often conflicting demands and expectations exerted upon it. Potentially, the N.Z.B.C. had a huge supportive constituency; but potentially, also, it was a constituency that could be vociferous in its opposition to the way in which the N.Z.B.C. went about its business.

The Corporation's administration often emphasised the breadth of the N.Z.B.C's activities:

1. J.D. Thompson, op. cit., p. 33.
2. Harlan Hahn, "The Public and the Police", in H. Hahn (ed.), Police in Urban Society, Sage, 1971, p. 26.

"it is not often realised that the N.Z.B.C. not only provides radio and television programmes: it maintains the country's only fully professional symphony orchestra and provides other concerts; it provides the most extensive advertising service in New Zealand; it plans and operates its own emergency and technical facilities; it provides a nation-wide news service, the Listener, programmes for use by other countries and a short-wave service, and carries on many other activities which are often not appreciated by the public." ³

The difficulties faced by the N.Z.B.C. in trying to accommodate and reconcile the often persistent and conflicting demands made upon it were exacerbated by the Corporation's need to find a satisfactory equilibrium between the requirements of independent and impartial political broadcasting and the realities of the political constraints to which it was subjected. (These often generated more heat than light. For example, the Deputy Prime Minister was asked at one party function why the Government allowed 90% of the N.Z.B.C.'s staff to be pro-Labour.⁴) The difficulties were compounded, too, by the fact that the N.Z.B.C. was subject to all the pressures of parish-pump parochialism. Hence, the Mayor of Palmerston North could strongly criticise the Corporation for failing to give what he considered to be adequate broadcast coverage of the city's centennial celebrations.⁵ In short, it was the high visibility of the N.Z.B.C.'s activities that prompted Stringer's comments to his Minister (W.J. Scott)

3. N.Z.B.C. Annual Report for the year ended March 31, 1971, pp. 5-6.

4. Reported in the N.Z. Herald, October 6, 1971.

5. Letter on N.Z.B.C. Public Relations file. After defending itself, the N.Z.B.C. announced (news release dated April 16, 1971) that it was sending a television outside broadcast unit to the city to cover the festivities for a week.

that there was "no other organisation subject to closer scrutiny by both publicity media and the public at large than broadcasting."⁶

The manner in which the N.Z.B.C. responded to this scrutiny - how and to what extent it tried to explain and justify what it did and intended to do - was critical for the promotion and maintenance of organisational prestige, and hence de facto power. Again, that response would be a function of organisational leadership. An appropriate analogy may be drawn from Neustadt's discussion of the American President's sources and uses of power.⁷ Neustadt argues that the President's ability to act depends to an important degree on his "professional reputation", and that reputation is forged by the "Washington community" -- "inveterate observers of a President."⁸ These people "have the doing of whatever he wants done. They are the objects of his personal persuasion. They also are the most attentive members of his audience."⁹ In the N.Z.B.C.'s case the critical group -- the "inveterate observers" -- was the journalistic staff. They judged the professional reputation of the Director-General, in particular, and of the organisation's leadership in general. They judged it -- rightly or wrongly -- in terms of their values and expectations, and in so doing they passed judgement on the professional status of the organisation itself. Indeed, they were instrumental in formulating that reputation amongst the public at large; for while they may not have had "the doing of whatever he (the Director-General) want(ed) done", they were in a position, as members of the wider journalistic community, to influence strongly the organisation's public reputation. They would lay claim to being the protectors of important democratic values - for example, the "freedom and independence of the press"; and, importantly, because they moved within the

6. Memo from Stringer to Minister of Broadcasting, August 20, 1964.

7. R.E. Neustadt, Presidential Power: The Politics of Leadership, Wiley & Sons, 1960.

8. Neustadt, op.cit., p. 58.

9. Ibid.

broader circles of journalism, they were well placed to be able to draw public attention to what they considered to be the short-comings of the N.Z.B.C.'s administrators.

The failure of leadership has been discussed in the previous three chapters. Here it is further argued that the effects of this failure, in respect of the N.Z.B.C.'s public image - its "professional reputation" - were exacerbated by the strained relationship that existed between the N.Z.B.C.'s administration and the journalistic profession in general. There was, in short, a marked degree of mutual hostility, which stemmed from each party's inability or unwillingness to appreciate the functions and responsibilities of the other.

The press, for its part, seemed resentful of the fact that the N.Z.B.C. had established a comprehensive nation-wide news service -- a development which, according to the Listener, made the N.Z.B.C. the "biggest news organisation in the country."¹⁰ Holcroft has noted that following the introduction of commercial broadcasting in 1936, the newspapers "learnt to live with radio, partly because the N.Z.B.S. was slow to build a genuine news service, but also because the press was still seen to be indispensable."¹¹ As noted in Chapter 2, the newspapers consistently declined to allow broadcasting to participate in Press Association services when, in the 1950s, the N.Z.B.S. had sought to establish its own news programmes. The introduction of the broadcasting news service in 1962 placed the N.Z.B.C. in competition with the newspapers for the services of competent journalists. Moreover, Stringer maintains that the newspapers were worried about losing advertising revenue;

10. N.Z. Listener, August 28, 1964; see, too, N.Z. Listener, April 26, 1968.

11. M.H. Holcroft, "The Press in a Visual Age," New Zealand's Heritage, Vol. 7, Pt. 100, p. 2788.

they failed to perceive that the roles of broadcasting and the newspapers were complementary rather than competitive. Instead they "spent all their time sniping at broadcasting."¹² Relationships were also strained by broadcasting's long-standing monopoly on the publication of forthcoming radio and television programmes.

The N.Z.B.C.'s attitude towards the newspapers was, in turn, shaped by something of a siege mentality. This was manifest in the "teamwork" appeals discussed in the preceding chapters, particularly in the admonitions over disloyalty (leaking information to newspapers),¹³ and in the advice to "close ranks" against the newspapers.¹⁴ It was also apparent in a concern to reassure staff -- and the leadership itself? -- that much of the newspaper criticism of the N.Z.B.C. was unjustified. In 1966, for example, the Corporation was subjected to considerable criticism stemming from the "pirates" controversy and the Bick episode. At the end of that year, Stringer told staff that (as "I have said before in 'Relay'") "the N.Z.B.C.

....should not shy away from criticism, provided that it is fair and constructive; that indeed broadcasting thrives on such criticism. However, when criticism fails to be justified or constructive, but is carping and designed to further the critic's personal interests; and when staff are being subjected ... to abuse, it begins to undermine the public's confidence and to harm staff morale." ¹⁵

On another occasion he decried the "incessant captious criticism of programmes by newspaper columnists", pointing out that, "it must be remembered that newspapers and

12. Stringer to writer, September 30, 1975.
13. For example, The Dominion of August 1, 1969, quotes a circular to all staff from Deputy Director-General L.R. Sceats pointing out that the Corporation was concerned at the increased number of instances where staff, without authority, had disclosed corporation business to outsiders, including the press. This was "a breach of the staff contract and an act of disloyalty both to the Corporation and to other staff members."
14. According to I.A. Johnstone, op. cit., p. 41, N.Z.B.C. staff were advised "not to talk to newspapermen".
15. Relay, Christmas, 1966.

television compete for news and advertising revenue."¹⁶

This siege mentality could be interpreted as a reluctance to bear criticism, as a rather obdurate belief in the superior knowledge and wisdom of the N.Z.B.C. As Kenneth Minogue has pointed out,

"one of the commonest ways of evading criticism is to suggest that the criticism does not help in the solution of some cognate practical problem; and this fallacy is connected with our hostile attitudes to what is 'merely critical' in contrast with what is 'constructive' or better still, 'creative' ... In other words, if something is bad one ought not to say it is bad unless one can do better ... There are ... however, times when we simply do not wish to be criticised, and here meliorist attitudes are useful to push the criticism away." ¹⁷

It may also have been a product of the public service backgrounds of Stringer and his senior executive staff. Having pursued their careers in the essentially secretive atmosphere of departmental administration ¹⁸ these men were probably ill-equipped to handle the publicity spotlight that became focused on the Corporation as it went about the task of bringing television programmes into the living rooms of New Zealand. Their shyness, if not suspicion, of the news media was not helpful in promoting and maintaining a favourable organisational identity. (On at least one occasion, the N.Z.B.C.'s administration was reluctant to allow its own news media to treat openly

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16. Relay, Nov./Dec., 1968. See also, for example, Relay April, 1969, and Relay, September, 1969. See Chapter 16 regarding the frequency and intensity count for references to public criticism in the Director-General's Relay messages.
 17. K.R. Minogue, The Liberal Mind, Methuen & Co., 1963, p.114.
 18. Says F.C. Mosher ("The Public Service in the Temporary Society", Public Administration Review, Jan./Feb., 1971, p. 58), "insofar as it assures that the older officers within the system will hold the top positions of the agency, it (careerism) assures continuity, stability and conservatism in agency policy. It is probably the principal ingredient of the cement which binds an agency into a strong, autonomous, and perhaps impervious entity against outsiders ..."

of controversial matters affecting the N.Z.B.C.'s own interests.¹⁹ Such instances could scarcely have improved the relationships between the administration and N.Z.B.C. journalists.)

The administration's generally insular attitude was particularly apparent when, in 1967, Stringer was questioned by a prominent journalist (Graham Billing) about the arrangement whereby the N.Z.B.C. showed all imported television films to the Film Censor. Billing's own view was that the continuation of the system was "an offence against reason", and that its defence by the N.Z.B.C. was "a public insult." The public, he argued, had no right of appeal, and the process, which resulted from an agreement (never publicly acknowledged in writing) between the Ministers of Broadcasting and Internal Affairs, was without legal foundation.²⁰ Billing reported that Stringer would not say how many films had been banned for political reasons; he would not give the grounds on which the N.Z.B.C. decided not to screen a film passed by the Censor; he would not name the people who made the decisions not to screen films passed by the Censor, nor would he divulge their qualifications; he would not advise if the N.Z.B.C. had ever screened a film against the Censor's recommendation, or the circumstances in which the N.Z.B.C. would dispute the Censor's ruling, nor whether the Corporation would be subject to penalty if it ignored the Censor's ruling.²¹ The next month, in pursuit of the issue, Billing reported that the Director of Television, N.R. Palmer, in response to questions about the standards by which the N.Z.B.C. judged films, stated that he did not think that internal working instructions should be "made public property."

19. This concerned news coverage in 1966 of certain events involving the "pirate" radio station, Radio Hauraki. See L. Cleveland, "The New Zealand Mass Media System: Problems of Broadcasting," op.cit., pp.47-48.

20. Reported in The Sunday Times, October 22, 1967.

21. Ibid.

Nor were there any plans to publish the standards.²² Such insularity suggests that the administration's guiding principle was "it is not in the public interest that the public should know what is being done in its interest."²³

The N.Z.B.C. was damaged by its inability to "sell" its story to the public. This was especially apparent in 1966, when the "pirates" controversy left the Corporation's image tarnished. In particular, it was easily dubbed "bureaucratic" and "monopolistic"; its prestige suffered badly; and its territoriality was later invaded with the advent of the Broadcasting Authority. Yet as indicated in Chapter 7, the N.Z.B.C. had not been as obdurate as the "pirates", and the Minister, had led the public to believe. It could conceivably have done more to propagate its own position, without at the same time setting out to embarrass the Minister, from whom it had experienced difficulty in obtaining advice about Government's intentions in regard to the activation of Part III of the Broadcasting Corporation Act. (This example, also illustrates the problems of autonomy that spring from the retention of the ministerial portfolio and the "proximate relationship" between the Minister and the administration.)

It was in 1966, too, that the Bick affair brought down a weight of unfavourable publicity upon the N.Z.B.C. Newspaper editorials were generally critical of the N.Z.B.C. for postponing the "Compass" programme in question.

22. Reported in The Sunday Times, November 19, 1967.

23. Quoted in P.H. Partridge, "An Evaluation of Bureaucratic Power", Public Administration (Sydney), June, 1974, p. 109.

Its independence was questioned.²⁴ Stringer saw the affair as something of a journalistic conspiracy against the N.Z.B.C.'s administration. In his view, the problem was exacerbated by the fact that the broadcasting journalists' primary loyalty was not to the Corporation but to their fellow journalists.²⁵ A similar interpretation was expressed by M.H. Holcroft in a Listener editorial:

"New Zealand papers have no wish to probe the domestic affairs of their 'contemporaries'; they have a long tradition of mutual forbearance in matters of editorial or managerial concern. A broadcaster may in a time of stress go to Truth or the Sunday Times, and publish his grievances; but a reporter who resigns from either of those weeklies will have no similar audience: he must be satisfied with the pub frequented by his colleagues. If an editor resigned on a question of principle the event would no doubt be thought newsworthy by the N.Z.B.C., although not as a subject for protracted inquiry. These matters are handled discreetly; outgoing editors do not as a rule feel impelled to reveal their difficulties, and even in anger may keep some loyalty to their papers. The Bick affair may move a little more into perspective when these points are noted." 26

For the N.Z.B.C.'s administration the affair was critical, and led to the liberalising of the interpretation of programme "balance". It did nothing, however, to dissipate the administration's distrust of the newspapers.

It would be misleading to suggest that the N.Z.B.C. was

24. For example, The Evening Post's editorial of October 5, 1966, commented: "From its inception the N.Z.B.C. has made much of the fact that it is an independent organisation determined to administer radio and television in an impartial way. Yet when its sense of independence is put to the test, as in the present instance, its total authority is not as apparent as we have been led to believe. Certainly the public have cause to wonder." See, too, similar editorial comment in The Auckland Star, October 4, 1966; The Dominion, October 4, 1966; The Press, October 5, 1966; The Otago Daily Times, October 6, 1966; and The Christchurch Star, October 5, 1966.
25. Stringer to writer, October 7, 1975.
26. N.Z. Listener (editorial), November 4, 1966.

totally insular, that it placed no value on trying to keep the public informed of its activities. As mentioned in the last chapter, a public relations office was set up in 1963, largely to inform the public of progress and events in the implementation of the capital development programme. In January, 1966, Stringer told staff that the objective of the public relations office was "a close, mutually cooperative relationship between the newspapers and ourselves."²⁷ This would ensure that "the public receives promptly information to which it is entitled; and, importantly as far as the N.Z.B.C. is concerned, it will ensure that this information is factually accurate."²⁸ In 1965, the Corporation prepared and presented a television programme - scripted by an outside observer, Victoria University political scientist, Dr. R.J. Harrison - examining the first five years of television in New Zealand. As Gordon Bick himself later conceded, in this programme "the N.Z.B.C. had examined its own structure with a relatively free hand, it had allowed a good deal of criticism against itself - a thing which far more mature television organisations in the world would not allow."²⁹

These points notwithstanding, there was a fundamental weakness in the Corporation's conception of how to build and maintain public support. The N.Z.B.C. saw its public relations function as responsive, rather than enabling. The former concept views public relations - as suggested by Stringer's concern with "factually accurate" information - as a "fire brigade" activity: one which aims to correct pockets of misunderstanding based on false knowledge. It is a necessary function, but in terms of promoting enhanced public prestige, it is not a sufficient one. The enabling

27. Relay, January, 1966.

28. Ibid.

29. G. Bick, op. cit., p. 94.

concept on the other hand, posits that the organisation itself is able to assist in moulding the way people perceive of it. In discussing the role of Royal Commissions, for example, Vickers says that,

"by exposing what they regard as the relevant facts and their own value judgements thereon and the process whereby they have reached their conclusions, they provide the authority which appointed them and also all who read their report with a common basis for forming their own appreciations and ... with a model of what an appreciation should be. They are not only analytic but catalytic ... " 30

Thus, their reports are exercises in public education; they educate the reader's "reality judgement" - helping him "to break through limitations imposed by his tendency to see things in their now familiar categories"; and they also educate the reader's "value judgement" - helping him to "transcend limitations imposed by his tendency to value things in familiar ways." 31

The N.Z.B.C. was not a Royal Commission, but an organisation with its own interests to protect and pursue. But in so doing it could have done far more to adjust both reality judgements - for which its public relations work was primarily geared - and evaluative judgements. The Corporation displayed a strong reluctance, for example, to use either radio or television to help shape public appreciation of the issues and difficulties with which the organisation had to contend - say, in regard to programming or capital development. 32

30. Sir Geoffrey Vickers, op. cit., p. 50.

31. Ibid, p. 53.

32. L. Cleveland, a political scientist and former journalist of wide experience, prompted the N.Z.B.C. in this direction when a member of the Central R.P.A.C. Cleveland (to writer February 28, 1979) was invited to write a script for a television documentary on broadcasting news gathering, processing and presentation. This he did, but the venture was pushed aside with the onset of the Authority's television hearings in the early 1970's.

Such initiatives would certainly have demanded tactful handling, but the fact that during the 1960s almost nothing was done in this direction, may be construed as further evidence of the administration's insular character, in particular, and of its leadership failings in general. (One important difficulty, however, stemmed from the strained relationship between the administration and the journalistic staff. According to Sceats, the journalists' suspicion of the administration created a distaste for being "used". Accordingly, statements that the administration wished to have broadcast in news bulletins were sometimes not used. The journalists could claim that the items were of insufficient news value.³³)

The problem was closely related to that of developing and articulating a philosophy of broadcasting. Such a philosophy had to be projected not only within the organisation but outwardly as well, so that a positive institutional identity could be established. "Public relations" conceived of in these terms is not only or even primarily a matter of correcting false information - essentially an administrative function. It is more a task of choosing among, and articulating, particular values - essentially a political exercise. The N.Z.B.C.'s perception of its public relations task as responsive rather than enabling; the mutual distrust that existed between it and the newspapers; its failure to secure the trust of its journalistic staff; and the "history of affairs" that plagued it through the 1960s (and the 70s) all combined to "imprison" the organisation, to shut it off from the popular (political) support essential for its survival. By 1970, when the organisation finally took steps to try to free itself from this entrapment, it had the debt of its earlier shortcomings heavily stacked

33. Sceats to writer, May 21, 1976.

against it.

In March, 1968, the Board expressed "concern at its public image" and asked the Director-General to bring forward suggestions as to how the N.Z.B.C. "might improve its public relations generally."³⁴ Public relations through the 1960s had been a function of the executive. The public relations officer was responsible to the Director-General through the latter's Administrative Assistant, Cooper Marshall. According to the Public Relations Officer from 1965 - 1970, this arrangement tended to handicap the section's efforts because Marshall placed no great importance on the public relations function.³⁵ According to McFarlane, the Board wished to see a reorganised public relations section working in closer contact with the Board.³⁶ (This desire may also be seen in terms of the growing executive role of the Board.) The liquor controversy during the middle months of 1968 heightened the Board's concern about the Corporation's public relations. McFarlane recalls that the whole issue "blew up" because the executive had advised the Board that such a small adjustment to its advertising policy did not require public explanation. However, when the amendment did leak to the press it became extremely difficult for the Corporation to explain that the new policy did not give free rein to liquor advertising.

McFarlane himself had been instrumental in building up the public relations activities of the Post Office, and following

34. N.Z.B.C. Board Minute, March 19, 1968.

35. Lyell Boyes to writer, undated. According to M.H. Holcroft (Reluctant Editor, op. cit., p. 189), "decisions about controversial programmes might sometimes have been hard to justify, but they would not have been inflated beyond their true worth if the Director-General had spoken out quickly and firmly, as departmental heads have been known to do, giving the facts and defending their positions with an authority which silenced their critics."

36. McFarlane to writer, June 15, 1976.

his appointment to the Chairmanship of the N.Z.B.C. he and other Board members had been eager to see a more promotional (enabling) approach adopted by the Corporation. In May, 1969, the Board resolved to appoint a Public Relations Manager responsible directly to the Director-General. In addition, it decided to engage the services of a public relations firm "to advise on the manner in which the public relations section should be organised and to be available for specific assignments as instructed by the Director-General."³⁷ In 1970, the Deputy Editor of the News Service, P.A. Fabian, was appointed to the new job. According to Fabian, during the selection process he had told the appointments committee (which included the Chairman, Major-General McKinnon) that the Corporation should actively promote a philosophy of news and current affairs broadcasting, that the articulation of this philosophy would serve as a "weapon" in promoting the N.Z.B.C.'s public prestige.³⁸

Thus, Fabian's assumption of the job of Public Relations Manager brought with it an upsurge of public statements explaining how the N.Z.B.C. interpreted its responsibilities in the area of news and controversial broadcasting. Fabian recalls that Stringer was sceptical about the suggested value of espousing a philosophy in this sphere, but was impressed by the amount of media coverage given to the opening shot in this "campaign", his address on violence and the responsibility of broadcasting, delivered to the Carterton Rotary Club in February, 1970.³⁹ (It should be mentioned here that these addresses were invariably delivered to the middle-class audiences of such service and interest clubs as Rotary, Jaycees and the like. According to Fabian, these were the only groups to extend invitations to speak.⁴⁰

37. N.Z.B.C. Board Minute, May 20, 1969.

38. Fabian to writer, May 19, 1976.

39. Ibid.

40. Ibid.

This, and as pointed out in chapter 15, the underlying middle-class, generally conservative assumptions which underpinned these speeches, support the argument that a major source of tension for the Corporation was that it was an organisation whose administrative perspectives were - probably inevitably - "blinkered" by middle-class values.) Copies of the Carterton and subsequent addresses were sent to all Members of Parliament, and to the editors of all daily newspapers in New Zealand, and of the country's leading magazines.

Apart from the perceived need to be more positive in articulating the Corporation's philosophy of news and controversial broadcasting, the newly-found public relations vigour was directed towards promoting the N.Z.B.C.'s case for control of a second television channel. The advent of the Broadcasting Authority helped imbue the Corporation with the belief that its interests could best be served only if it were prepared to explain and justify its policies in the face of threats from commercial competition. Shortly after taking up his post, Fabian outlined to the Director-General the "tasks ahead", including the inducing of "magazines and newspaper people to visit Avalon ... to instill a better appreciation of the enormity of the project and again with a view to achieving the right climate for an N.Z.B.C. case for a second channel and colour."⁴¹ The public relations consultants hired by the Board (G. Hugh Sumpter and Associates Ltd.), along with McKinnon, called on newspaper editors to explain the Corporation's case for a second channel.

The N.Z.B.C.'s public relations efforts happened to coincide with a mellowing of the newspapers' attitudes towards the N.Z.B.C. By 1970 the papers had come to see the N.Z.B.C.'s

41. Memo from Public Relations Manager to Director-General, February 25, 1970.

news service as being complementary to, rather than competitive with, their own services: broadcasting's "intrusion" into the newspapers' traditional domain, if not to be welcomed with open arms, could at least be tolerated with the realisation of some mutual benefit. Perhaps more important was the recognition that a second channel run by the N.Z.B.C. would be less harmful to the newspapers' commercial interests than one run by the other principal contender for ownership and control.⁴² A second channel run by the N.Z.B.C. was to be non-commercial, whereas run by the private contender it would need to be fully commercial and thus would constitute a threat to the newspapers' business interests. Hence, Sceats could record in December, 1970, that,

"we have endured much criticism in the past ... but recently there seems to have been a turn in the tide of words. Editorial opinion has been more with us than against us and we may take pride in the fact that our achievements have been worthy of laudable acknowledgement." ⁴³

Fourteen months later, McKinnon acknowledged that the N.Z.B.C. had been "heartened" by the "massive support" given by the press and public to the Corporation's second channel proposals.⁴⁴

Fabian replied assiduously to all manner of criticisms of the N.Z.B.C. expressed in the newspapers, drawing the pointed comment from the Editor of Tablet that, "you must be one of the most prolific writers of letters to the editor in the country."⁴⁵ (Like the boy who cried wolf, Fabian may have replied too often.) There were other innovations, in

42. Initially, the other contender was a consortium of four leading New Zealand companies. Later, the consortium withdrew leaving Auckland businessman and broadcaster, Gordon Dryden, to propose the establishment of a public company to own and operate a second channel.

43. Relay, December, 1970.

44. Press statement, released February 2, 1972. See, for example, The Dominion, October 18, 1971, and November 18, 1971; also, The Press, November 22, 1971 and April 19, 1972.

45. Note from J. Kennedy to Fabian, May (undated), 1971. (On N.Z.B.C. public relations file.)

practice and in style. News conferences were held by the Director-General. One, in February, 1970, was held to explain why the network television news would be moved from 7.30 pm to 7.00 pm, and the 9.00 pm news on radio to 8.30 pm. Another was called by Sceats, shortly after the announcement of his appointment to the position of Director-General. A greater awareness of the need to foster acceptance of changes that would directly affect the public represented a change in administrative style. Said Fabian in response to a charge that the N.Z.B.C. had begun a blatant campaign to "soften up" the public to accept higher licence fees:

"this is a rather misleading way of interpreting the motives of the N.Z.B.C.... (which) fully intends keeping faith with the public and frankly advising them of the changing situation in broadcasting in New Zealand and its economic health. It will not be motivated by stealth."⁴⁶

Moreover, very late in the piece - too late, in fact - the N.Z.B.C. began to look towards its own media as a vehicle in its public relations campaign. In July, 1972, the Board asked the Director-General and the Public Relations Manager to "look into the practicability of the N.Z.B.C. using its own media more to publicise (its) activities, achievements and what it does for the Arts."⁴⁷ (Its contribution to the Arts was an important factor in the N.Z.B.C.'s case for control of a second television channel.)

In sum, by 1970 the N.Z.B.C. had come to appreciate that its power base did not stem solely from its enabling Act, but was also a function of its ability to promote and maintain its professional reputation, its public prestige, by helping to shape the reality and evaluative judgements of its "client" publics - including, as well as by way of, the press. Unfortunately for the Corporation, however, any

46. Letter from Public Relations Manager to Editor, Wanganui Herald, April 13, 1971.

47. N.Z.B.C. Board Minute, July 25, 1972.

benefits that may have flowed from its efforts in this direction were effectively undercut by the "history of affairs" which continued to dog the N.Z.B.C. right through until in January 1973 the Labour Government announced its decision to abolish the organisation, as such. In particular, there was the McCready decision of 1972, and the MacLeod affair of the following year. These ensured that the distrust between the administration and the journalists remained. Nor was this ameliorated by McKinnon's assumption of the role of chief N.Z.B.C. spokesman on controversial issues (See Chapter 10). As pointed out in Chapter 14, his army background, lack of professional broadcasting experience, and apparent conservatism combined to undermine his "authority of competence" in the eyes of the journalistic staff (and, it might be speculated, among newspaper journalists as well). Therefore, his adoption of a prominent profile may well have been partially self-defeating. While McKinnon was prepared publicly to defend the Corporation on those occasions when it was subjected to strong criticism - especially from leading political figures - it was precisely on those occasions when it might have been better for the organisation's reputation had he retained a lower profile left the public spot-light to the Director-General or his deputy. McKinnon's main problem was that his background tended to deprive him of credibility in his role as N.Z.B.C. Chairman. Worse, McKinnon himself was a central figure in both the McCready and MacLeod controversies: it was McKinnon who invited the Minister of Defence (McCready) to explain the Vietnam situation on the television network news, and who was instrumental in arranging a "lecture spot" for him in the middle of the bulletin;⁴⁸ and it was McKinnon who was Chairman of the Board when it sacked MacLeod. The latter controversy, in particular, because it called into serious question the Corporation's independence and impartiality, in one stroke undermined all the positive efforts of organisational promotion that had preceded it during the previous two years. In terms of fostering a longer-term public awareness of the need for public broadcasting's political non-partisanship to be both real and

48. Sceats was overseas at the time.

manifest, the MacLeod affair may be judged to have been a blessing in disguise. In terms, however, of administrative leadership and the search for organisational autonomy, it was a disaster.

The second part of this chapter examines the role of the Regional Programme Advisory Committees, set up by the N.Z.B.C. in 1965. These committees were designed to keep the N.Z.B.C. "in close touch with public response to programme policy".⁴⁹ To this end they were one among a number of means, including audience research; newspaper and magazine commentaries and comment - including "letters to the editor"; communication direct to the N.Z.B.C. from members of the public; and representations and questions from Members of Parliament. Unlike the other means (except audience research), the committees were created on the N.Z.B.C.'s own initiative. Thus, an examination of their work may be expected to provide some further insights into the N.Z.B.C. administration's responsiveness to public demands and expectations. This is especially so because, unlike audience research, the committees' activities entailed two-way, personalised, communication between the administration on the one hand, and "representatives" of the public, on the other.

The Corporation's enabling Act empowered it to set up the committees.⁵⁰ In March, 1965, the Board approved their

49. N.Z.B.C. news release, October 22, 1965.

50. Broadcasting Corporation Act 1961, Section 8. The idea was not new in New Zealand broadcasting. The Radio Broadcasting Company had set up public committees for each station and had also appointed honorary official listeners in certain areas. The advisory committees were abolished by the Broadcasting Board in 1932. Instead, an Advisory Council comprising 8 persons was set up to advise the Board. The 1936 Broadcasting Act provided for the establishment of an Advisory Council of up to 5 persons, but no such body was set up. In its 1960 General Election Manifesto, the National Party undertook to establish an advisory committee to be "associated with" the commission set up to control the introduction and development of television.

establishment, and their composition was announced in October the same year.⁵¹ According to the Chairman of the N.Z.B.C., C.A. McFarlane, the committees would represent "a broad spectrum of responsible opinion". As well as advancing views on their own initiative, they would consider matters submitted to them from time to time by the Corporation.⁵² In the Director-General's view, it was intended that the committees would act as "sounding boards" of public opinion to enable the N.Z.B.C. to judge "reasonable response" to radio and television programme policy. They were to be (in the words of Britain's Pilkington Committee on broadcasting) "open windows letting in the weather of opinion, good and bad, not a conservatory to shield and protect."⁵³ Members were chosen on their individual merits rather than as representatives of particular interest groups. However, it was the N.Z.B.C.'s intention to have the "widest possible scope of interests covered by the individuals selected."⁵⁴ In Stringer's words,

"the composition of each Committee in total should be as widely representative as possible, embracing cultural (music, drama, literature), educational, farming, trade union, sports, religion, business, industry and particularly in the northern region, Maoris. Both male and female should be included ...A variation of ages is also desirable. Some well-known people with a good all-round background could lend prestige to the Committees but names put forward (for consideration for appointment to the committees) need not necessarily be public figures of distinction." ⁵⁵

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51. N.Z.B.C. Board Minute, 16-17 March, 1965; N.Z.B.C. news release, October 22, 1965.
 52. N.Z.B.C. news release, October 22, 1965.
 53. Memo from Director-General to Station Managers, April 22, 1965.
 54. Ibid.
 55. Ibid.

Initially, the committees worked solely with the Director-General and his executive staff. They met four times a year, in the presence of the Director-General, and the Directors of Television and Sound Broadcasting. However, during the first half of 1967, the Board came to exercise a greater measure of control over the committees. In December, 1966, the Board had considered a report assessing the committees' operations: it was decided that the Chairman should discuss the matters raised in the report with the Chairmen and Deputy Chairmen of the three bodies.⁵⁶ At the March, 1967, meeting, the Board decided to invite the Chairmen and Deputy Chairmen to meet the Board in May, "to foster closer personal relations and to clarify the functions and purposes of the committees."⁵⁷ (From 1967, the N.Z.B.C. Board and the Chairmen and Deputy Chairmen of the committees met annually.)

The nature of the Board's concern over the activities of the advisory committees became clear at the May meeting. It resolved that,

"it would not be wise to give too much publicity to the work of the committees which could easily get a bad public image. Members should be wary of making statements or giving addresses as these tend to be taken by the public as exposition of Corporation policy."⁵⁸

The Board regarded the committees as sounding boards whose value would stem not so much from members' contact with the wider public, as from their ability to offer criticism of and advice on N.Z.B.C. policies.

56. N.Z.B.C. Board Minute, 13-14 December, 1966.

57. Letter of April 10, 1967, from the Chairman of the N.Z.B.C. to the Deputy Chairman of the Southern Regional Programme Advisory Committee.

58. N.Z.B.C. Board Minute, 16-17 May, 1967.

The Board's desire to shield the committees from public view was enhanced with the advent of Major-General McKinnon to the Chairmanship of the N.Z.B.C. At the meeting between the Board and the committee Chairmen and Deputy Chairmen in July, 1969, McKinnon advised that the Corporation

"would prefer to get the advice of the committees without any significant publicity, in the same way as it does from its other advisory committees, particularly with private enterprise coming into the broadcasting field."

He pointed out that with the Minister of Broadcasting, the Broadcasting Authority, the Programme Advisory Committees and the N.Z.B.C., the public was "sometimes confused on whom spoke with authority on what." Hence, in the "changed climate of broadcasting today", the committees were "to avoid making public statements as far as possible", and the press and the N.Z.B.C. news staff were no longer to be advised of the dates of committee meetings.⁵⁹

The committees themselves favoured a more "open" style of operation, and more publicity for their activities. In February, 1967, a member of the northern committee suggested that its meetings should be open to the press, that it should "actively solicit and conscientiously consider suggestions from the public, if necessary by establishing screening committees", invite newspaper critics, educators, psychologists and others to address it, and that it should ask the N.Z.B.C. to extend the committee's jurisdiction to "all relevant spheres, e.g. pirate radio, commercial television, 2nd channel."⁶⁰

59. N.Z.B.C. Board Minute, July 22, 1969. The N.Z.B.C.'s other principal advisory committees were the Kindergarten of the Air Advisory Committee, the Central Religious Advisory Committee, and the Broadcasts to Schools Advisory Committee.

60. Submission by K.W. Tanner for consideration at the Northern Regional Programme Advisory Committee meeting on Thursday, February 23, 1967. According to Tanner, the committee was "unrepresentative, meeting in private and groping for a role."

The Board, however, "did not think it desirable for the committees to actively solicit suggestions from the public nor to invite specialists to address it."⁶¹

In September, 1966, a member of the southern committee charged that the committees were "a waste of time and money".⁶²

While dissociating itself from this view, the northern committee conceded, however, that the link between the committee and the public was "virtually non-existent", and that statements made after the meetings received little publicity.⁶³ In November, 1968, the southern committee lamented the lack of public awareness of the committee's activities and resolved to draw to the attention of the Editor of the Listener the "workings and membership of the committee."⁶⁴

The committee's desire to be more visible mediators between the Corporation and the public is indicated in the results of a survey conducted by the writer in 1976 among persons who served on the committees at various times during the period 1965-1972. (In all, about 170 persons served on the committees during this time. The author was unable to find the residential addresses of 25 of those persons, and of the 145 questionnaires dispatched, 15 were returned without reaching the addressee, and four reached the addressee but were returned either without being completed or without being answered adequately. Thus, a maximum of 130 questionnaires could be assumed to have reached the addressees. Of these, 70 were completed and returned to the author, a (usable) response rate of 53.85%. The 70 responses constitute a representative sample from among the 170-odd committee members.)

61. N.Z.B.C. Board Minute, July 18, 1967.

62. J.M. McKenzie, reported in the N.Z. TV Weekly, September 12, 1966.

63. Minutes of meeting of October 4, 1966, of the Northern Regional Programme Advisory Committee.

64. Minutes of meeting of November 1, 1968, of the Southern Regional Programme Advisory Committee.

<u>Question</u>	<u>Response</u>	<u>%-age</u>
Did you consider that the existence and activities of the committee were widely enough known and publicised?	Yes	19.72
	No	80.28
Do you consider that the news media should have been allowed to attend committee meetings?	Always	19.72
	Sometimes	39.47
	Never	38.03
	(Other)	(2.78)
Was it your opinion that the committee's recommendations to the N.Z.B.C. should be made public?	Always	42.25
	Sometimes	50.70
	Never	7.04
	(Other)	(0.01)

In spite of the fact that only half the respondents believed that the N.Z.B.C. was "genuinely interested in the committee's recommendations,"⁶⁵ a heavy majority felt that their time on the committee had been time well spent, and that the committees' work was beneficial to the Corporation.⁶⁶ Moreover, there was, among committee members, a generally strong measure of support for the N.Z.B.C., as suggested in the following results.

<u>Question</u>	<u>Response</u>	<u>%-age</u>
At the end of your term on the committee, was it your opinion that the N.Z.B.C. should be granted control of a second, non-commercial television channel, as it had hoped?	Yes	78.87
	No	16.90
	(Other)	(4.23)
How would you rate the N.Z.B.C.'s ability and willingness to satisfy public demands in the programme field?	Excellent	8.45
	Very Good	30.99
	Good	43.66
	Fair	15.49
	Poor	1.41

It may be that the committees became "captives" of the organisation they were set up to advise. As Wedell points out,

"If the principle of advisory councils is sound it is worthy of consideration that such councils should be appointed by a body other than that which they exist to advise."⁶⁷

65.	<u>Question</u>	<u>Affirmative</u>
		<u>%-age</u>
	Did you feel that the N.Z.B.C. was genuinely interested in the committee's recommendations?	50.70
	Mainly concerned to rebut implied criticism with arguments based on greater broadcasting expertise?	22.54
	Using committee views to justify policies already determined?	8.45
	A mixture of all three?	15.49
	(Other)	(2.82)
66.	<u>Question</u>	<u>Response</u>
		<u>%-age</u>
	On balance did you feel that your time on the committee was time well spent?	Yes 81.69
		No 18.31
	On balance did you feel that the work of the committee was beneficial to the N.Z.B.C. services generally?	Yes 85.92
		No 11.27
		(Other) (2.81)
67.	<u>E.G. Wedell, Broadcasting and Public Policy, op. cit., p. 269.</u>	

Membership of the committees was dominated by persons who were male, European, white-collar workers (professional persons and businessmen were prominent) or farmers (or who were wives of such persons), and who were between the ages of 36 and 65 at the time of their appointment.⁶⁸ In other words, members tended to have social backgrounds very similar to those persons who occupied the top decision-making posts within the N.Z.B.C. This would suggest that the committees' advice was based on the same sort of "world view" that underpinned the administration's outlook on news and controversial broadcasting, as discussed in earlier chapters. To that extent, the committees could be said to have been "captives" of the N.Z.B.C.'s administration, providing reinforcement for Corporation programming decisions rather than a critical examination of them.

While the N.Z.B.C. Board was aware of the social imbalance that marked the composition of the committees, it was not convinced of the practicability of improving the balance. In August, 1968, the meeting between the Board and the Chairmen and Deputy Chairmen of the Committees noted that, "if practicable it would be advantageous to have more members from the trades and allied groups in the community"⁶⁹ (emphasis added). The deficiency was not rectified by

68. More than two-thirds of those who sat on the committees were males; 93% were European; and 77% had served, or were serving, on either local government organisations; and/or were, or had been Members of Parliament; and/or were, or had been, active members of interest groups, and/or community organisations, e.g. Lions and Rotary clubs etc. At least 90% of members were professional persons, white collar workers, or farmers (or were wives of persons within these occupations). 74.64% were between the ages of 36 and 65 when appointed to the committees. Note: These figures are based on responses to the survey questionnaire, not on an analysis of information on all appointees. While the figures must therefore be treated with some caution, it is believed that they are, nonetheless, indicative of the actual composition of the committees.

69. Minute of meeting of August 20, 1968, between the N.Z.B.C. Board and the Chairmen and Deputy Chairmen of the Regional Programme Advisory Committees.

late 1972, when the Board noted a lack of representation from the "artisan and labouring sections of the community", but observed too that "these people tended to be inarticulate, which limited their value."⁷⁰ Not insignificantly, in February, 1972, the Board had asked the Director-General to "ensure that Station Managers are encouraged to seek the advice of service organisations when nominating people for appointment to the Programme Advisory Committees."⁷¹ Presumably, the Board felt more comfortable with "articulate" persons who might generally be expected to share its own socio-political orientation.

Whereas the Board considered that too much airtime was given to dissenting minority groups (see Chapters 9 and 15, for example), opinion within the committees was more equally divided on this question.

<u>Question</u>	<u>Response</u>	<u>%-age</u>
Regarding N.Z.B.C. news and current affairs broadcasts on both television and radio, did you consider that too much coverage was given to minority groups, e.g. protesting groups etc.?	Yes	52.11
	No	47.89
Did you consider that insufficient coverage was given to such groups?	Yes	14.08
	No	80.28
	(Other)	(5.64)

This suggests that the N.Z.B.C.'s journalistic staff - or at least those among them responsible for the day-to-day programming decisions - were more in tune with public attitudes than were the Board members. It also suggests that the committees were not simply "captives" of the N.Z.B.C. Board. Further, as pointed out in Chapter 15, the committees had encouraged a more liberal approach to controversial broadcasting than the Corporation had, until 1968, been willing to adopt. It is apparent from the

70. N.Z.B.C. Board Minute, November 28, 1972.

71. N.Z.B.C. Board Minute, February 1, 1972.

committee minutes that three political scientists who served on these bodies took a particular interest in this aspect of N.Z.B.C. programming, and were active in propounding their views on the N.Z.B.C.'s democratic responsibilities as a public broadcasting organisation.⁷²

The Corporation could have been - and should have been - more enterprising in its use of the R.P.A.C.s. As "boundary riders", the committees could have been used not only to ensure that the N.Z.B.C. kept in touch with public response to programme policy, but also to promote a better public understanding of this policy and the factors impinging upon it. The committees themselves clearly would have welcomed an essentially two-way function.

<u>Question</u>	<u>Response</u>	<u>%-age</u>
Did you think that the N.Z.B.C. could have made more use of the committee to promote greater public understanding of the Corporation's programme policies?	Yes	83.10
	No	16.90

As proxies for the public, they could also have been allowed to play a mediating role between the two groups whose relationships were so crucial to the N.Z.B.C.'s fortunes - the administration and the journalists. This might have involved the use of sub-committees whose members were especially well placed, by virtue of their respective backgrounds and abilities, to empathise with the different perspectives of the two groups.

72. They were Professor R.M. Chapman of Auckland University; and Professor R.H. Brookes and Mr. (now Dr.) L. Cleveland of Victoria University of Wellington.

This would have been an aid to organisational leadership, however, not a substitute for it. Wherein, again, lies the key to understanding this lost opportunity. The committee's modus operandi became intimately linked with the struggle between the Board and the Director-General, discussed in Chapters 6,7,8 and 9. The Board's move to meet the Chairmen and Deputy Chairmen each year, and the power it thereby acquired to shape the role of the committees, was part of its general effort to acquire a greater say in programme policy, in the face of the Director-General's (Stringer's) resistance.

Stringer had been instrumental in establishing the committees, and had determined that they would proffer advice direct to him (and his top executives). They thus provided the Director-General with an important source of information (power) which was advantageous in his relationship with the Board. (Stringer had also planned that the committees would serve as recruitment pools for Board members, thus overcoming what he saw as a regrettable lack of broadcasting experience among Board members. The committees would dovetail with three regional corporations which were mooted by Stringer as eventual successors to the N.Z.B.C.⁷³) Control of the committees therefore became a significant "battle" in the general "war" between the Board and the chief executive.

The Board was clearly concerned lest the committees' activities undermine, or be seen to undermine, its own authority. According to the Board, "It was never intended that these committees should become another tier in the Broadcasting control or that their functions should extend beyond opinion and thinking on programme output..."⁷⁴ Further, it was "essential that (they) keep within the bounds

73. Stringer to writer, July 13, 1976.

74. N.Z.B.C. Board memorandum, 16 and 17 May, 1967.

of the Constitution, otherwise confusion in relation to the control of Broadcasting might be extended..... If public opinion is to be sought then it is more properly a function of the Corporation...."⁷⁵ (emphasis added). The Board's concern to keep the committees out of the public eye may be interpreted in the same light.

Stringer considered it "absolutely essential that the committees be publicly accessible".⁷⁶ In his view, the Board's moves to bring them under its influence destroyed their usefulness: "instead of playing a dominant part in broadcasting, instead of taking it back to the people, instead of making a big organisation like the N.Z.B.C. more programme-sensitive, they became rather stultified."⁷⁷

That the advisory committees were fettered, and required to act as rather insulated sounding boards, suggests that the Board preferred the certainty of a "tight ship" to the "authority leakage"⁷⁸ that may have stemmed from mediation between public and professional expectations and the constraints of administrative and political realities.

75. Ibid.

76. Stringer to writer, July 13, 1976.

77. Stringer to writer, July 13, 1976. He also argued that the Station Managers "became insolent" in their attitudes to the Committees, which limited their usefulness in rendering the N.Z.B.C. more responsive to local publics. The Adam Committee (The Broadcasting Future for New Zealand: Report of the Committee on Broadcasting, op. cit., p. 33) commented that, ".... precisely because the three councils were each meeting in a major city and with the topmost executives of the Corporation there was less linkage to the men and women at the programme and station level."

78. The concept of "authority leakage" is from A. Downs op. cit., pp. 134-5: "Because individual officers have varying goals, and each uses his discretion in translating orders from above into commands going downward, the purposes the superior had in mind will not be the precise ones his subordinate's orders convey to people farther down the hierarchy. The resulting diversion constitutes a leakage of authority."

PART FOUR - THE DEMISE OF THE N.Z.B.C.

CHAPTER EIGHTEEN: The Labour Government's 1973 Decision

The incoming Labour Government's decision to abolish the N.Z.B.C., announced by the new Minister of Broadcasting, R.O. Douglas, on January 31, 1973, came "out of the blue". (The N.Z.B.C. was to be replaced by three separate corporations - Television One, Television Two, and Radio New Zealand - and a Broadcasting Council¹.) After Labour had won the General Election the previous November, the Prime Minister, N.E. Kirk, announced that the proposed second television channel would be awarded to the N.Z.B.C.² Having spent two years justifying their claims to the second channel before public inquiries conducted by the Broadcasting Authority, the Corporation's administration must have been delighted. Yet they had scarcely begun to prepare for the year in which their efforts would be brought to fruition, when Douglas made his announcement. The new Government had honoured its election commitment

1. See the Broadcasting Act 1973. Among other things, the Council had the responsibility of allocating licence fee revenue among the three corporations; it advised Government on the rates of those fees; it could advance money to the corporations, it owned all land and buildings; it was responsible for establishing, operating and maintaining transmission and networking facilities; it conducted audience research; it bid for overseas television programmes and negotiated for sports broadcast rights in New Zealand and elsewhere; it prepared rules and codes that set common standards for broadcasting; it ensured, as far as possible, uniformity in terms and conditions of employment for corporation staff; it was responsible for achieving complementarity in television programming; and it represented New Zealand's interests in the international broadcasting community.
2. Reported in The Otago Daily Times, November 28, 1972.

to public control of broadcasting³ (existing private radio stations would continue to operate, but no new ones would be licensed), but considered restructuring of the N.Z.B.C. to be necessary to free creative talent from the inhibitions of centralised control, to ensure the independence of the broadcasting services, to gain the benefits of competition in television programming, and to revitalise the country's radio services. According to the Minister,

"the Government was convinced that its aim of providing the best, most independent and enterprising television and radio of which New Zealand was capable could be achieved only through drastic changes in the present structure." ⁴

Importantly, the proposals meshed well with the Government's emphasis on decentralisation and regionalism. Television Service One was to operate principally from Wellington and Dunedin, and Television Service Two from Auckland and Christchurch, though each was to provide nation-wide coverage.⁵

Why did the Labour Government take this drastic action?

3. The N.Z. Listener of February 26, 1973, noted that "Labour plans to restructure the N.Z.B.C. date back before the 1969 election. In 1968, Mr. Norman Kirk promised changes so that no Government would be able to interfere with the N.Z.B.C. In 1969 ... Mr. Arthur Faulkner outlined his party's plan to establish three regional competing commercial radio and television corporations and a second non-commercial television channel." The Labour Party's 1972 General Election Manifesto stated that Labour "favours the present principle of public ownership of the facilities of Broadcasting and Television. The main object of that policy is to provide the best, most independent, and enterprising television and radio that can be provided. A further objective will be to provide the highest possible New Zealand content in both broadcast programmes and capital equipment."
4. Reported in The Press, February 1, 1973.
5. See the Broadcasting Act 1973, Sections 40 (2) and 42 (2).

To answer this question it is helpful to examine the decision on two "levels": the public and the private. A pertinent point is made by Nicolaidis in his study of organisational decision-making.⁶ In his view, organisational decisions have to be "clothed with reason", justified in terms of socially acceptable values. Thus, the Government's 1973 decision on broadcasting was justified in terms of competition in television broadcasting, the promotion of the highest possible content of locally-produced television programmes, and the defeat of monopoly and centralised bureaucratic control. In the Minister's words,

"two guiding principles in the restructuring were those of decentralisation and the introduction of competitive enterprise... over the year there had been an increasing centralisation of creation, production and administration and this had had an inhibiting effect on all broadcasting, particularly on radio which had been treated more and more as a poor cousin of television ... one of the principal objectives of the new broadcasting set-up would be to provide the highest possible New Zealand content in broadcast programmes."⁷

Moreover, Douglas could argue that the abolition of his own (broadcasting) portfolio showed that it was the Government's "genuine wish that public broadcasting in New Zealand (be) truly independent."⁸ (The subsequent Broadcasting Act

6. N.G. Nicolaidis, Policy-Decision and Organisation Theory, Univ. Sth. Calif., 1960, pp. 155-6.
7. Reported in The Press, February 1, 1973.
8. N.Z.P.D., Vol, 387, p. 4851. The portfolio was abolished from April 1, 1975. The three Corporations and the Council were required to report annually to Parliament through the Postmaster-General. As pointed out in Chapter 13, the Postmaster-General, in his capacity as an "intermediary" between Parliament and the new organisations, was soon obliged to answer questions on day-to-day broadcasting matters, in a manner similar to that of preceding Ministers of Broadcasting. It was originally the intention that he answer only those questions relating to his "defined broadcasting responsibilities" and "about matters of broad financial and technical interest and general aspects of the activities of the Council and ... Corporations." - N.Z.P.D. Vol. 397, p. 1214.

1973, contained no provision similar to Section 11 of the preceding Act. See Chapter 11.)

While the Government was wedded to public ownership, it was less happy about the idea of monopoly control of broadcasting (or near-monopoly control), particularly in television. In the Minister's view, the N.Z.B.C. was

"too big anyway. We wanted to get away from having a big bureaucracy in Wellington. My decision, if you like, was based on a certain amount of experience, from my business background, against monopolies. I had never believed that size brings efficiency in business. I could see as an outsider the sort of bureaucracy that had been built up by the N.Z.B.C: particularly, the emphasis⁹ on engineering as opposed to programmes."

The dislike of monopoly, together with the Government's commitment to public ownership, gave birth to the idea that the second channel should be operated by separate organisations. Two independent corporations would be established on a regional basis. Importantly, for purposes of public justification, no longer could "monopoly" and "public service broadcasting" be synonymous. The term "competitive enterprise" was coined to suggest the virtues of "competition" within a system of public ownership and control.

It can be speculated, however, that that Labour Government also had other, more private, motives for abolishing the N.Z.B.C. It has been argued that Kirk had an "obsession" with the N.Z.B.C: "(it) was a creation of the National Government, therefore the Corporation was a National Government publicity machine - that was his single-minded conviction."¹⁰ While this may be an overstatement, it is possible to point to evidence that Kirk harboured dislike and was suspicious of the N.Z.B.C. A former

9. R.O. Douglas to writer, February 16, 1977.

10. N.Z. Truth, April 29, 1975.

Editor of the N.Z.B.C. news service has maintained that Kirk's suspicion stemmed partly from what he felt to be unfair treatment given him by the Christchurch newsroom during his years as Leader of the Opposition.¹¹ (Christchurch was Kirk's home city.) On "many occasions" Kirk complained personally to the Editor that his public statements were not given fair and adequate coverage by the newsroom.¹² The news service's second Editor has recounted similar experiences. He recalls that Kirk appeared to believe that the N.Z.B.C. news service was "just a National Party publicity machine."¹³ Also, during the Bick affair, Kirk claimed in the House that a statement he had given to the Christchurch newsroom was not used until the following day, after a comment from the Director-General had been broadcast. According to Kirk, this showed that all criticism of the N.Z.B.C. and of the Government was referred up to the Director-General first.¹⁴ In October, 1971, Kirk informed the N.Z.B.C.'s Christchurch newsroom that "serious consideration" would be given to lodging a complaint with the Broadcasting Authority about the administration and management of documentary and news services in the Christchurch section of the N.Z.B.C."¹⁵ In 1968, Kirk had promised to revise the Broadcasting Corporation Act to "provide for the development of a truly independent and virile (broadcasting) service in New Zealand". The N.Z.B.C. would be given the same independence that the B.B.C. had in Britain.¹⁶ The following year, he complained that members of the Labour Party were "hardly ever" on television: "do you

11. R.E. Coury to writer, September 16, 1975.

12. R.E. Coury to writer, October 8, 1975.

13. P.A. Fabian to writer, May 19, 1976.

14. N.Z.P.D., Vol. 349, pp. 3020-21.

15. Statement from Kirk to N.Z.B.C. Christchurch newsroom, October 7, 1971. (On N.Z.B.C. public relations file.)

16. N.Z.P.D., Vol. 357, p. 2395.

think this is an accident?"¹⁷

By 1972, a General Election year, Kirk's criticism of the N.Z.B.C. reached shrill proportions. He argued in the House that the N.Z.B.C.'s "top stratum" was "subverting the public interest by falling into line, either by direction or anticipation of Government wishes. Patronage in political appointments, subservience in office, are the causes of the betrayal of the lights of free speech and expression in the Broadcasting Corporation."¹⁸

Sceats has recalled Kirk's suspicion of the N.Z.B.C. When, in 1972, the microwave link conveying the Prime Minister's (J.R. Marshall's) opening election speech broke down, Sceats told his executives the following morning that they should be thankful it was not the Leader of the Opposition who had been giving the address: "Kirk would never have believed the breakdown was an accident."¹⁹ In March of the same year, Kirk referred to "managed news, in the era of a subservient, chin-dripping N.Z.B.C."²⁰ The charge brought a strong response from McKinnon, who argued that the "intemperate, unfounded and abusive terms used by the Leader of the Opposition could not pass unchallenged. It was alarming and to be regretted that a Leader of the Opposition should be so misguided in his public utterances."²¹ In the context of New Zealand's political discourse, this was strong language. It could only have exacerbated what was an uneasy relationship between the two men. (McKinnon was in no doubt that Kirk thought him to be "a so-and-so".²²) Finally, the MacLeod affair must have been the straw that broke the camel's back. Kirk called publicly for McKinnon's

17. Reported in The Dominion, September 1, 1969.

18. N.Z.P.D., Vol. 379, p. 1285.

19. Sceats to writer, May 21, 1976.

20. Reported in The Dominion, March 28, 1972.

21. Reported in The Dominion, March 29, 1972.

22. McKinnon to writer, May 8, 1976.

resignation.²³ Later, after Labour had won the election, McKinnon declared that he had no intention of resigning - "why should I?"²⁴ He argued that accusations of "political pressure and responsiveness" made against the Board had been tested in "the most thorough fashion at a public inquiry and were found to be totally groundless. To have resigned after the change of Government "would have been equally wrong and ... would have been interpreted as deriving from political pressure." This was something the Board had "always resisted with maximum vigour", and would continue to resist if it arose.²⁵

McKinnon believed that Kirk, angered by what he saw as his (McKinnon's) and the Board's obduracy, told Douglas to "smash" the N.Z.B.C.²⁶ Douglas, however, has denied this, arguing that Kirk did not know what was in the cabinet paper proposing the restructuring until it was presented.²⁷ However, Douglas has conceded that Kirk did dislike the N.Z.B.C., mainly because of the political patronage apparent in the Board's composition. The restructuring proposals therefore "suited Kirk" whose main question was, "can you make it work?"²⁸

It is possible, but not demonstrable, that Kirk - and the cabinet generally - favoured the Minister's proposals because they would not only remove (apparent) National Party control of broadcasting, but would proffer some

23. Reported in The Press, July 31, 1972.

24. Reported in The Auckland Star, November 29, 1972.

25. Reported in N.Z. Listener, March 5, 1973.

26. McKinnon to writer, May 8, 1976. The Minister of Broadcasting under the previous National Government, H.J. Walker, argued (N.Z.P.D., Vol. 387, p. 4854) that the restructuring was under-taken in order to get rid of McKinnon - the "outspoken, straight-shooting Major-General who will not be pushed around even by the Prime Minister."

27. Douglas to writer, February 16, 1977.

28. Ibid.

positive political advantage to the Labour Government, as well. The 1973 Act removed such ambiguous notions as "public interest" "good taste" and "proper balance" which had been used too often and too easily by the N.Z.B.C. as formalistic substitutes for the development of a coherent philosophy of broadcasting; and, as mentioned, neither the Broadcasting Council nor any of the three corporations were constrained by any provision similar to Section 11 of the Broadcasting Corporation Act 1961. (The Postmaster-General, however, could direct that announcements be broadcast "in the case of any national, regional or local emergency."²⁹) These were clearly positive steps towards enhanced de jure independence. However, the new Government might also have felt that it could more easily influence three new, smaller, corporations rather than one large one - especially as that corporation had "shown" itself to be amenable to the preferences of the National Government. If the Labour Government felt that it did not stand to gain any immediate political advantage from the restructuring - Douglas maintains that the move "looked beyond the party's interests: it did create some problems for us as a political party once the new current affairs programmes got underway"³⁰ - then it could feel secure in the belief that any future National government would find it difficult, if not impossible, to revert back to the format that had existed during the reign of the N.Z.B.C. Having won the

29. Broadcasting Act 1973, Section 86 (1)

30. Douglas to writer, February 16, 1977. The Minister's paper to cabinet (Memorandum for Cabinet, The Future Structure of Broadcasting, January, 1973) argued that "a full news service cannot be triplicated within New Zealand's resources ... (but) ... the working corporations must each develop current affairs teams and programmes like Gallery, Checkpoint and This Day, which will go beyond the raw news from the news service, and explore the background and the meaning of public events and developments". (p.11) The Pilkington Report was also quoted approvingly: "All broadcasting and television, especially must be ready and anxious to experiment, to show the new and unusual, to give a hearing to dissent" (p. 12). It was to be the Council's job to provide a common news "pool" (Broadcasting Act 1973, S.11 (1)(c)), but in practice each organisation acquired its own operating autonomy in the collection and presentation of news.

election by a huge majority of 23 seats, the Government must have expected - mistakenly as it turned out³¹ - to be in power for at least 9 years, during which time the new broadcasting system would have been able to consolidate. Labour's concern was probably reinforced by the press's general sympathy towards the National Party.³²

If, as seems likely, the Labour Government's partisan concern was a factor in the restructuring, then the National Government's stacking of the N.Z.B.C. Board had posed a serious threat to the organisation's survival. The Board's composition, its assumption of an executive role in the administration of the N.Z.B.C., and the "history of affairs" that dogged the Corporation, combined to undermine the organisation's manifest integrity. Significantly, the Government's proposals to restructure the N.Z.B.C. generated little public opposition. (By contrast, broadcasting's journalistic and production staff opposed vociferously the National Government's 1976 moves to bring the three corporations back under one "parent" body - the Broadcasting Corporation of New Zealand - and to reintroduce statutory provisions similar to Section 11 of the N.Z.B.C.'s enabling Act.³³)

Confronted with the Government's 1973 proposals the N.Z.B.C.'s administration was virtually isolated. At its February, 1973, meeting the N.Z.B.C.'s Board heard the Director-General speak of "the complete absence of consultation by the Minister with the Corporation prior to the production of the plan." It was noted that, "the Minister had mentioned in his letter about the Government making its own decisions

31. The National Party won the 1975 General Election, reversing Labour's 23-seat majority.

32. As shown in Chapters 1 and 2, this factor had been uppermost in the Labour Government's thinking in 1936, when the departmental form of control was adopted.

33. Their opposition to the then Bill included strike action, public meetings and considerable media comment. On August 10, 1976, an advertisement entitled "A Backward Step for Broadcasting" was placed in The Evening Post. It was signed by 350 staff at the Avalon television centre. See Chapter 13, regarding Section 20 of the Broadcasting Act 1976.

'after fully considering all possible ramifications of their action'. It was considered, however, that this had not been fulfilled in view of the failure of the Government to have any prior consultation at all with the N.Z.B.C."³⁴ The lack of consultation might have been a symptom of a Government still basking in the glory of an extraordinary electoral victory. More likely, it resulted from the Government's belief that consultation with what, to it, appeared to be a blatantly pro-National Party administration would serve no useful purpose. On the contrary, it could hinder implementation of the reorganisation proposals. Douglas recalls that he did not tell the N.Z.B.C. beforehand because, had he done so,

"I might not have got my scheme through. It would have taken years. It was better to argue the thing out first at cabinet level."³⁵

Understandably, Sceats strongly resented the Government's actions, a resentment that was not diminished when the Committee appointed by the Minister to examine implementation of the scheme (the Adam Committee), had only "a brief meeting with the Director-General."³⁶ According to Sceats, the plans were implemented without any real study of the financial implications.³⁷ On the other hand, McKinnon, according to Douglas, was "good to work with; very reasonable."³⁸ (It must be remembered, of course, that Sceats, as chief executive, was a career broadcaster and as such is likely to have had a far deeper psychological "need" for consultation than had McKinnon.³⁹)

In June, 1973, McKinnon unsuccessfully proposed a compromise scheme to the Adam Committee, whereby administrative

34. N.Z.B.C. Board Minute, February 8, 1973.

35. Douglas to writer, February 16, 1977.

36. N.Z.B.C. Annual Report for the year ended March 31, 1974, p. 3.

37. Reported in The Evening Post, April 9, 1975.

38. Douglas to writer, February 16, 1977.

39. Sceats (to writer, May 21, 1976) has maintained that the lack of consultation was "the biggest shock" of his broadcasting career. He regarded it as "a personal insult".

unity would be retained under one Board while three separate operating divisions (two television and one radio) would carry out the day-to-day broadcasting functions. He quoted the "unanimous decision" of the 1968 Commonwealth Broadcasting Conference that "the co-ordination of both types of service (radio and television) under a single management was vital to ensure consistency of policy as well as economy and efficiency in the deployment of resources." He also referred to European Broadcasting Union Monograph No. 8, 1972, which noted that, "the majority of countries have adopted unity rather than duality of radio and television services for financial, administrative and/or technical reasons.... In few cases are there pluralistic public structures for the purposes of providing competition."⁴⁰ (McKinnon's proposal was very similar to the restructuring carried out later, in 1976, by the National Government.) And in December, 1973, he concluded a lengthy letter to the Minister in the following terms:

"As you are aware I have held the view that Broadcasting could be better served by a different solution than the one now set out in the new Act ... This does not mean, however, that I want your scheme to fail. Indeed, now that you are embarked on it I feel it is essential that everyone directly concerned contribute all they can to making it a success and in this endeavour you and your new Boards have my best wishes. To you personally I should like to express my appreciation of the courtesy with which you have invariably received me and my comments."⁴¹

These comments tend to support the argument, put forward in Chapter 10, that McKinnon's political "bias" was more a function of an unquestioning "world view" than of conscious partisan intent. He prided himself on his "honour", and clearly felt a strong sense of duty to cooperate fully with the new democratically-elected Government.

40. Submission from the Chairman of the N.Z.B.C., to the Committee on Broadcasting, June 14, 1973.

41. Letter from McKinnon to Douglas, December 5, 1973.

Apart from its reluctance to consult, the Government's disenchantment with the N.Z.B.C.'s administration was apparent in its desire to ensure that the top positions in the new system were not filled by "old guard" N.Z.B.C. identities. According to Douglas, it was "absolutely necessary" to ensure this: "the creation of the four new organisations meant that all the jobs were up for grabs, and Sceats' impending retirement made it easier as well. If you put the right people in the right slots you can make an organisation function."⁴² Both the television corporations were headed by expatriate New Zealanders who had made their names with the Australian Broadcasting Commission.⁴³ Radio New Zealand's Director-General, however, was J.L. Hartstonge who had been a Regional Director with the N.Z.B.C. On his retirement in 1976, Hartsonge commented that,

"the new corporations strove to be seen to be clearly different from the N.Z.B.C. and the Government obviously wanted them to be seen to be different, as I was clearly given to understand in the days leading up to my appointment as Director-General. So, because an N.Z.B.C. old-hand was to head Radio New Zealand, two assistants were appointed whose experience had been gained in other countries."⁴⁴

The perceived necessity to dispose of the N.Z.B.C. "old guard" lay at the heart of the Corporation's demise.

This was not simply because the new Government distrusted the N.Z.B.C.'s administration from a partisan political perspective, but also, and more importantly, because the administration - indeed the word "administration" itself - had become identified with all that was wrong with the N.Z.B.C. Thus, in their submissions to the Adam Committee, television producers and directors complained that "the present system features a protracted chain of command in which partial responsibilities for aspects of production -----

42. Douglas to writer, February 16, 1977.

43. A.E. Morris, Television One; A.W. Martin, Television Two.

44. Reported in the N.Z. Listener, October 2, 1976.

control are spread over a wide area and any possibility of effective communication is frustrated."⁴⁵ Moreover, communication between producer and management was "further complicated by the fact that almost without exception, N.Z.B.C. middle and top management is without operational experience in television."⁴⁶ According to the producers and directors, management had to be kept "lean" and have the authority to make effective decisions, the appetite to do so, and the confidence to delegate responsibility. It had to "provide positive leadership and appreciate the fact that its performance must largely be assessed by its success in the programme area".⁴⁷ The producer of the N.Z.B.C.'s leading television current affairs programme "Gallery" has commented that the N.Z.B.C.

"tended to overlook the prime function of broadcasting ... making programmes. TV-1 has simply changed the emphasis from administration - and all the awful things that word connotes - to programme-making" (emphasis added).⁴⁸

Another prominent television broadcaster has argued that,

"the N.Z.B.C. achieved changes in the technical field, but we (TV-1) have changed more in the programme field in 10 months than was done before in 10 years ... It is very encouraging to have your supervisor support you when you get criticised - something we never had during my decade under the N.Z.B.C."⁴⁹

45. Submission to the White Paper Committee on Broadcasting from the Television Producers and Directors Assn. (N.Z.) Inc., May 1973, p.3. The extent to which McKinnon, for example, was insulated from the attitudes and opinions of the production staff is illustrated in his response to a suggestion that "producers and others ... were inhibited by unadventurous or timid administrators during your time as Chairman." McKinnon argued that he did not recall seeing "at first hand" any such complaint: "one frequently read comment by TV critics in the newspapers along the lines ...indicat(ed), but these ... were ... completely without foundation. I do not believe the producers were waging some sort of war against the Director-General and his Executive staff for greater freedom - indeed if anything I felt the Director-General rode the producers with a very loose rein and that this was recognised with satisfaction by producers." - unpublished N.Z. Listener interview, conducted in February, 1974, (transcript supplied by McKinnon).

46. Submission, op.cit., p.6.

47. Submission, op.cit., p.7.

48. D. Monaghan, reported in The Evening Post, July 13, 1976.

49. Dougal Stevenson, reported in The Evening Post, July 17, 1976.

In short, the Government's proposals were enthusiastically welcomed by one of the N.Z.B.C's most critical constituencies - its own production and journalistic staff. The organisational mission of capital development and growth in general - without an answer to the question, growth and development for what? - had become inadequate, even anachronistic.

It was, in effect, the task of the Adam Committee to shape the "appreciative setting" within which the new purposes of public broadcasting in New Zealand could be defined.⁵⁰ The Committee, chaired by Kenneth Adam (a former Director of Television in the B.B.C.), and comprising Professor Robert Chapman (head of Political Studies at Auckland University), Dr. John Robson (a former Secretary for Justice), and Lady Dorothea Turner (musician, author, and expert in woolcrafts), received about 1,500 submissions before presenting its Report on July 31, 1973.⁵¹ The Report heavily stressed the needs of the producer over those of the manager. It allayed fears, "strongly and repeatedly expressed to the Committee", of an "elaborate and inflated bureaucracy sitting on top of the creative people and especially in television." It

50. The Government clearly saw this as a central function of the Committee: "A vital function of the White Paper will be to explain the goals of broadcasting and of the new structure." (Cabinet Memorandum, op.cit., p.12.) The Committee's terms of reference required it to "report to the Minister upon the manner in which the said policy should be carried into effect..." - (The Broadcasting Future for New Zealand: Report of the Committee on Broadcasting, op. cit., p. 3). The Committee's Report, therefore, was not an independent document based on an open-ended inquiry into New Zealand broadcasting.

51. The Broadcasting Future for New Zealand: Report of the Committee on Broadcasting, op. cit.

spoke of the encouragement not of "professional managers but professional broadcasters who graduate to management". Creative processes, according to the Committee, thrived on "decisiveness, not on doubt, on warmth within the organisation not negation, on communication inside for those who are charged with communication outside." The producer was to be reinstated as "the key figure in broadcasting".⁵²

The N.Z.B.C.'s administration was identified as being a major factor in the need for reorganisation. As Adam later argued,

"In a small country of three million people it appeared essential that there should be a wider use of specialists and experts, and a constant search for new faces and voices. Under the previous paternalistic system, managed for the most part by civil servants with established traditions and attitudes, these qualities of innovation and, if need be, risk had become attenuated."⁵³

And in arguing, for example, that "urgent attention must be given to the development of new formats in current affairs programming", ⁵⁴ the committee was able to offer the sense of appreciative leadership of which the N.Z.B.C. had been so much in need. "The New Zealander", said the committee,

"is happily, not passively oriented to politics as has tended to happen in some other democracies ... We believe that this country is ready to see more constructive connections between the media and citizenship than have been made so far, is ready to accept a freer flow of opinion and information along lines which may be unfamiliar and at first seem unconventional... In calling for a wider use of specialists and experts, for a constant search for new faces and new voices, the Committee takes into account the evidence presented to it of a growing public dissatisfaction

52. Ibid, pp. 14, 44-45.

53. Kenneth Adam, "The Broadcasting Future for New Zealand," Gazette, Vol. 20, No. 3, 1974, p. 164.

54. Report of the Committee on Broadcasting, op.cit., p. 9.

with the treatment in broadcasting of public issues. It also appreciates that the New Zealand public is not deferential in the sense that Bagehot used the word ... It believes that from the disciplines and innovation that we suggest, and to which we would give equal importance, there would emerge more real challenges, not fewer to political claims and Establishment assertions."⁵⁵

There was a bitter irony in the committee's comments. For, paradoxically, under the N.Z.B.C. news and current affairs programming had developed at a rate unprecedented in the whole history of New Zealand broadcasting. But that same development was a major factor in bringing about the organisation's downfall: the administration was unable to cope effectively with the organisational stresses and strains that inevitably accompanied it. These difficulties - both "external", in respect of pressures from, in particular, politicians, and "internal", in the form of professional values and expectations - were greatly exacerbated by the concomitant need to develop a television service as such, and the technical facilities that were a prerequisite of that service.

As Rice argues, "a leader must have the intellect, creative capacity, and skill to enable him to take the lead in solving the most difficult problems encountered by the enterprise he is leading."⁵⁶ To the extent that the leadership within the N.Z.B.C. was inadequate to the daunting tasks that confronted it, to the extent that it stumbled throughout the 1960s and early 70s from one political crisis to another, it failed, thereby contributing directly to the organisation's demise.

The subsequent restructuring of the public service broadcasting system emerged, from what was, in effect, an

55. Ibid, pp. 9-10.

56. A.K. Rice, The Enterprise and its Environment, Tavistock, 1963, p. 210.

"alliance" between the two groups that had seen themselves as the principal "victims" of the N.Z.B.C.'s failure - the new Government, and the Corporation's journalistic and (mainly television) production staff.⁵⁷

The 1973 decision was aimed at rectifying the almost intractable problems that had resulted from the retention of the broadcasting portfolio, tendentious statutory provisions like Section 11 of the Broadcasting Corporation Act 1961, and from having a single organisation responsible for capital development and programming functions. In its concern to replace the N.Z.B.C. "old guard" the Government also acknowledged the failure of leadership that had soured relations between the administration and sections of the professional staff. However, its determination to cut the N.Z.B.C. down to size - literally - was misguided. The Government failed to understand that inhibition of the creative process within the N.Z.B.C. had resulted not from organisational bigness per se, but from executive inadequacy exacerbated by the 1968/69 reorganisation's removal of media control, and from the executive role adopted by the Board. As pointed out in Chapter 8, the functional control introduced by the 1968/69 reorganisation resulted in radio's interests taking second place to those of television in the committee-dominated administration. As the Adam Committee noted, this was also due to "the growth of television in the public mind as the broadcasting medium."⁵⁸ That it was the

57. N.Z. Truth of April 29, 1975, claimed that Kirk kept "open house" for those N.Z.B.C. staff "inclined to moan and grumble about their masters ... Often as not they took confidential papers .. Many were the times when Mr. Kirk was even better informed about the innermost secrets of the corporation than the principals." This statement is taken to be suggestive, not conclusive. The two "groups" clearly had something to offer each other: the one, the power necessary to bring down change; the other information that would prove to be important in justifying that change.
58. The Broadcasting Future for New Zealand: Report of the Committee on Broadcasting, op. cit., p. 71.

television production staff who were particularly concerned about administrative stultification in the production process probably reflected the fact that this public preoccupation was shared by the administration. Moreover, the administration of television could not be decentralised to the extent demanded by the local community philosophy on which was based a large segment of the N.Z.B.C.'s radio services. The 1968/69 reorganisation, and the increasing executive role of the Board, in turn derived - to a greater or lesser extent - from the power struggle between the Minister, the Board and the Director-General.

One need not agree with Reith's advocacy of the "brute force of monopoly" in public broadcasting to argue that the Labour Government's response to the problems of the N.Z.B.C. was too drastic. Nor is it a purpose of this thesis to examine events subsequent to the decision of January, 1973. Suffice it to say that the creation of two television corporations competing for commercial revenue, and of a radio corporation left to fend for itself, brought about major financial problems for the new system, at a time of spiralling costs and when the Broadcasting Council was required to continue a heavy capital development programme.⁵⁹ As the writer asked in 1975,

"Can a high level of professional creativity be maintained within an administrative system that invites not only a disproportionate level of institutional politics but also strong financial (hence administrative) control? Can political autonomy be guaranteed by such organisational fragmentation? Can the ideals of public service broadcasting be promoted and maintained by a television system based squarely on the imperatives of commercial competition? Can radio continue to thrive independent of television's (particularly financial, but also creative) resources?"⁶⁰

59. See Bob Gregory, "Broadcasting", in Ray Goldstein and Rod Alley (eds.), Labour in Power : Promise and Performance, Price Milburn, 1975, pp. 141-3.

60. Ibid, p. 148.

There was not time for all these questions to be answered. In 1976, largely on the espoused grounds of more stringent financial requirements within the broadcasting system, the new National Government took the moves mentioned above. All three corporations were brought under the control of one "parent" body - renamed the Broadcasting Corporation of New Zealand - while a measure of operating independence was retained for each of these internal divisions. As noted in Chapter 13, the portfolio of broadcasting was reinstated, and a provision similar to Section 11 of the N.Z.B.C.'s Act was included in the new legislation.

The virtues of the 1973 decision, it may be argued, were distorted by a misplaced concern with fragmentation as a panacea to the perceived evils of organisational size. The Government - in view of the evidence presented in this thesis - might have achieved more lasting results by replacing N.Z.B.C. Board members, preferably by a means of appointment at least one step removed from direct political control (see Chapter 10); granting a non-commercial second channel to the N.Z.B.C.; reintroducing media control within the organisation; freeing the N.Z.B.C. from the programme jurisdiction of the Broadcasting Authority (which would have been left to oversee the activities of private radio stations); transferring capital development responsibilities from the N.Z.B.C. to the Authority; abolishing the broadcasting portfolio; and by suitably amending the Broadcasting Act 1961, mainly along the lines suggested in the Board's draft bill of 1967 (See Appendix B). Importantly, the problem of overcoming the departmental attitudes among senior administrative staff would, in time, have been dissipated by retirements, and - importantly - by more flexible personnel policies, much freer from State Services Commission influence.

In conclusion, it is pertinent to note Tom Burns' summary comment that, even 50 years after its foundation, the B.B.C. is

"still at some stage anterior to full social acceptance and identity, still short of the completely institutionalised form in which it can lapse into unself-

conscious performance of a familiar role".⁶¹

In New Zealand, the creation of the N.Z.B.C. in 1962 should have begun the institutionalisation of independent public service broadcasting. Ten years later, however, very little had been achieved in this direction - testimony to the subversive effect of the forces and events examined in this thesis. In the history of New Zealand broadcasting, 1962-1972 were, in an important sense, wasted years.

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61. Tom Burns, *op. cit.*, p. 296. Burns goes on to say that, "Misguided and intolerant though he may have been, Reith's conception of broadcasting as a public service, of a B.B.C. imbued with a sense of mission, of the people who worked in it as a community dedicated to the public good was, I believe, wholly appropriate. It is also the only conception which makes political and economic sense in the present situation of this country. It is also the only conception which has a hope of superseding the miscellany of values and purposes compounded of individual commitments to professionalism, to careers, to managerial efficiency, to saving money or making money, which are the prevailing currency. Potentially the B.B.C. still represents an enormously effective agency of political, cultural and social enlightenment."

SUMMATION

The following points are made in brief summary of the principal arguments developed in this thesis.

1. The creation of a public corporation to supersede the former government department, the N.Z.B.S., was largely an opportunistic political decision impelled by the introduction of television into New Zealand.
2. The confluence of three particular circumstances ensured that the de jure political independence (or ascribed autonomy) of the new corporation would be sorely tested within a matrix of highly uncertain de facto relationships. These circumstances were: the corporation's decision to establish, for the first time in New Zealand broadcasting, a comprehensive news service, and to develop current affairs broadcasting; the need to establish a television service; and the concomitant need to install the technical facilities essential to the operation of that service (and to the expansion and improvement of the country's radio facilities).
3. The political pressures generated by this confluence of circumstances were manifest in a power struggle between the Government (through, in particular, the Minister of Broadcasting from 1964-1966, W.J. Scott), the Chairman and members of the N.Z.B.C. Board, and the Director-General, G.H. Stringer. This was essentially a struggle to determine the extent to which the Government's influence could be brought to bear on the N.Z.B.C., and the extent to which the Board could exert control over the organisation's day-to-day operations, all in the face

of the Director-General's desire to establish and preserve his autonomy as chief executive and protector of the broadcasters' professional standards and operating independence.

4. During and after this conflict two important factors bore heavily on the N.Z.B.C.'s ability to acquire and maintain a measure of achieved autonomy - real and manifest - essential for developing a positive institutional identity. First was the retention of the ministerial portfolio of broadcasting. This imposed a political need to match responsibility with power. Second was the extent of political patronage apparent in appointments made to the Board by the (National) Government.
5. Especially under the third Chairman, Major-General W.S. McKinnon, the Board adopted an increasingly executive role in the N.Z.B.C.'s administration. This had important consequences for organisational leadership. Broadly, the imperative of running a "tight ship" prevailed over the need to establish and maintain the N.Z.B.C.'s character as a public service broadcasting organisation with important responsibilities in a democratic society. Resultant tensions were exacerbated by the development, post-1968, of vigorous controversial broadcasting, particularly in the television programme, "Gallery". Atypically, this programme acquired considerable operating autonomy from circumstances that arose from the 1968/69 reorganisation.
6. Resulting in large part from the power struggle between the Board and the Director-General, the reorganisation removed media control - to the particular detriment of radio - and generally compounded the hierarchical inhibitions on the creative process within the N.Z.B.C.

7. The establishment of the N.Z. Broadcasting Authority (1968/69) gave added impulse to the N.Z.B.C. Board's acquisition of an increasingly executive role, and contributed to the internal administrative - including leadership - difficulties which beset the N.Z.B.C. after its 1968/69 reorganisation.
8. Serious tensions resulted from the lack of empathy that existed between the administration - the Board, Director-General and senior executives - and the journalistic staff, whose activities automatically impinged upon the N.Z.B.C.'s external political problems.
9. These tensions lay at the root of, and were compounded by, a series of public controversies - culminating in the MacLeod affair of 1972 - that reflected badly upon the N.Z.B.C.'s manifest political independence. The Board (particularly its Chairman, McKinnon), became increasingly involved in these controversies, largely because of its growing executive role. However, while the apparent political partisanship of the Board undermined the N.Z.B.C.'s manifest independence, it is more likely that it acted from a "sympathetic response to anticipated preferences", and from the assumptions of an implicit political orientation, rather than from a willingness to bow to direct political pressure.
10. Compounding these difficulties was the administration's inability to develop and articulate a coherent philosophy of broadcasting to help ensure a positive organisational commitment from the journalistic staff. The administration responded in a formalistic manner to this requirement, demonstrating, in the face of the political excitation and changing social attitudes of the 1960s and early 70s, a failure to recognise the (moral) complexities of the situation.

11. Essentially, and particularly in the earlier years, the N.Z.B.C.'s leadership was technically-orientated, and - partly in response to public demand - defined the organisation's mission in terms of capital development, and general growth.
12. The difficulties experienced in building and sustaining a positive organisational identity were exacerbated by the administration's strained relationships with the newspapers, and by its failure - again partly resulting from the power struggle between the Board and the Director-General - to use the Regional Programme Advisory Committees as mediating devices, both externally and internally.
13. As a result of this complex of difficulties, when the Labour Government came to power late in 1972 there was considerable political opportunity available to it to abolish the N.Z.B.C. Abolition could be readily justified on the general grounds of enhanced political independence and greater programme creativity.

In conclusion, it may be suggested that, to sustain the organisation in the face of the tasks the N.Z.B.C. had simultaneously to fulfil, against the background of 26 years of full departmental administration, and during a period of social and political change, would have required a truly remarkable feat of administrative leadership. While the N.Z.B.C. as an organisation did not survive, the years of its regime will undoubtedly prove to be critical in the history of New Zealand broadcasting. The N.Z.B.C. not only created an independent and comprehensive broadcasting news service, and made unprecedented progress in the development of controversial broadcasting (although partly in spite of itself), but it also performed the notable feat of expanding a primary television service throughout virtually

the whole of New Zealand. It did so, moreover, within the constraints imposed by its own commitment to financial self-sufficiency. Edward C. Banfield has commented that while the salmon perishes in order to give birth to its young, organisations, unlike salmon, much prefer sterility to death.¹ The N.Z.B.C., however, had much in common with the salmon, if partly by accident or default rather than purposeful intent.

Despite the fact that its career was marked by controversy that often reflected (or was made to reflect) badly upon it, the N.Z.B.C. (as the Adam Committee discovered²) left largely intact the strong popular support for public service broadcasting that it had inherited. The N.Z.B.C., in this connection, was not a "new" organisation: it was, in effect, a government department of 26 years' standing which suddenly found itself with a new name and a new statutory base. Those changes did little to alter the historically-developed values which it inherited from its predecessor and which were deeply imbued in the attitudes of its senior staff. The commitment to capital development and general growth, for example, while compelled to a large extent by the political demands of the day, was inherited from its organisational predecessors which - like the N.Z.B.C. - had to serve a people historically predisposed to entrust to the state the multifarious tasks of national

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1. E.C. Banfield, "Ends and Means in Planning", op. cit., p. 77.
 2. "The Committee found nothing to suggest that New Zealanders were unhappy with the principle of broadcasting as a public service, or with its operation as a mixed system, drawing its revenues from licences and from advertising in roughly equal proportions." - Kenneth Adam, "The Broadcasting Future for New Zealand," op. cit., p. 163.

development.

In a very real way, too, the N.Z.B.C.'s contribution to news and controversial broadcasting in New Zealand was based on the preparatory work done by the N.Z.B.S. Left to implement their plans, it was unfortunate for the N.Z.B.C. that it had no-one at the top like J.H.E. Schroder or J.H. Hall - men whose appreciation of, and commitment to, broadcasting's role in public affairs, may have facilitated a more successful reconciliation of the tensions which inevitably arose between the administration, the journalists and the politicians. The N.Z.B.C.'s shortcomings in this direction were intimately linked with the problems of keeping the politicians at arm's length and maintaining a (albeit conceptual) distinction between the role of the Board as trustee for the public interest, and of the chief executive as guardian of the broadcasters' professional standards. Whereas, for example, Reith's lasting contribution to British broadcasting may be said to have stemmed precisely from this achievement (though it was subject to often intense disputation) the years of the N.Z.B.C. left largely unresolved the problematical and critically important question of New Zealand public broadcasting's relations with the state.

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APPENDIX A : Examples of Professor James Shelley's Pronouncements

1. The Press, August 31, 1936.

"He spoke briefly of the great community value of the radio for developing sympathetic tolerance, which was the basis of all true democracies; and he expressed the hope that the community's attitude would develop in such a way that people would not stand for the radio's diversion to uses for propaganda, as it had done in almost every country in the world."

2. N.Z. Radio Record. September 4, 1936.

"Generally speaking, I may say that I regard radio as 'The Great' modern instrument for securing a real cohesion of the citizens of the community, based on mutual understanding and sympathetic tolerance. The community spirit and the greatness of the ancient city such as Athens, depended on the close personal relation of the comparatively small number of citizens, and the instrument used was the actual human voice in the presence of the whole group of citizens The radio, if properly used, should provide a means whereby the sympathetic influence of the actual human voice of Ancient Athens can be added to the intellectual facilities of the widespread communication of the printing press. Thus it will form an instrument for real democracy, based on a sympathetic understanding of all points of view, considered in the quiet environment of the fireside, instead of in the rather hectic emotional atmosphere of a great concourse of people or in the light of unsympathetic print. The unifying value of music and the spoken arts is a most important substructure to the understanding of life values, and has an incalculable value in raising the emotional discipline of a community. However clever we may be as thinkers, if we are undisciplined in regard to our feelings, then the State will fall to pieces just as easily as if our feelings were right and our thinking was inadequate."

3. The Press, November 24, 1936.

"Whatever else I do or do not do,' he said, 'I shall use my greatest endeavour to develop the creative art of musicians and of the people of New Zealand itself...Whatever we can do for the arts in New Zealand, one thing we must do is to raise the standards all round. We cannot afford to put up with low standards because to do so is to put up with a low standard of human beings. You may not agree with the methods I shall adopt,' he said, 'the changes will not be put into force in a revolutionary way, but we must safeguard the tender shoots of life which are the expressions of the creative art'". (Speaking to musical drama and art societies in Christchurch.)

4. N.Z. Herald, December 3, 1936.

"My policy will be to find out what the people want and try to give them the best possible in radio fare desired by all tastes", said Professor James Shelley. Professor Shelley said there need be no fear in the minds of the radio listeners of New Zealand that he is to play the part of 'a cultural Moses seeking to lead them out of the wilderness of lowbrow entertainment into the highbrow promised land.'...'I intend to find out, among other things, what interests all types and classes of people', he said. He would try to understand the kind of life various sections of the community were living, and determine what kind of life they wanted to live. He was seeking by means of broadcasting to make their lives somewhat more than they desired for themselves. It was not his business to decide what other human beings should be...In conclusion he said he did not mind whether people called him 'Mr' or 'Professor'."

5. N.Z. Radio Record, December 31, 1936 (Shelley's New Year Message)

"....unfortunately nations have got little beyond the material interpretation of face values; they are emotionally too undisciplined and intellectually too unimaginative to recognise heart values...The arts as a whole are all engaged in this job of ekeing out our imaginations and breaking down the barrier between heart and heart. And may we not hope that broadcasting may do this? If we hear the real human voices of political opponents or national enemies and realise how earnest and desirous for the good of their fellows they are, may we not hope that we shall be more able to pursue courageous thought in quiet reasonableness instead of undisciplined bitterness, and so develop a generous tolerance from which peace and goodwill may spring..."

6. Broadcast of January 25, 1937, quoted in Downes and Harcourt, op.cit., pp.131-2

"We are not content with a poor standard on the football field and we should not be content with a poor standard in music and drama... It looks as if the only consistent source of employment in the future for such artists will be directly or indirectly connected with radio or teaching and for both of these higher standards are necessary. The government has therefore decided to replace the present inadequate temporary headquarters and studios in Wellington by a great broadcasting centre which will embody in it a national conservatorium for music and the spoken arts."

7. N.Z. Radio Record, October 7, 1938.

"The greatest need of the world today is discipline. The discipline of peace is more difficult than that of war - the simple issues of war provide a means of escape from the complications of peace, and it is the simplicity of war that makes it so dangerously attractive. War offered an escape from the responsibilities of civilisation... However, science and arts could not seek this escape from the problems of life. Tolerance among human scholars was the parent of peace."

8. N.Z. Listener, October 4, 1946.

"The power, extensity and immediacy of broadcasting make it an instrument which can be as devastating to the mentality of nations as atomic bombs may be to their physical structures... But the power of broadcasting does not come alone from its immediacy or from the number and extensity of the audience. From the intimacy and immediacy of the living voices within the very circle of the fireside is created a psychological urgency that often is irresistible. Emotional tension in extreme cases can even beget communal hysteria... If broadcasting regards its job as solely concerned with the passing on of objective truth (if there is such a thing... where human relationships are concerned), it is shirking the duty to humanity which is peculiarly its own - the emotionalising of intellectual vision."

9. Shelley's retirement speech to staff, April 1949 (on tape in broadcasting archives, Timaru)

"(Broadcasting) is the instrument of democracy. It was Aristotle, I think, who said that a State should be no bigger than for it to be possible for the voice of one man to be heard by all the citizens, and that city state was the Greek State... You rule by actual personal contact, by hearing what everybody's got to say for himself... Broadcasting makes it possible for a whole world state... the whole people of the world can get within the hearing of the voice of one

man, by broadcasting... Broadcasting can become the instrument of a great world state... We are in intimate contact with the greatest instrument the world has known in power to unite people... Broadcasting can be a terrible danger... it is possible to create such trouble as may take many years to put right... It is not the instrument that it was regarded as a few years ago... an instrument to provide a few pleasant hours of entertainment in the evening... The dignity and stature set by the BBC in its early days, and that is a tribute we must always pay in broadcasting to Lord Reith. He saw broadcasting in a big way, and he had the power and the wisdom to put it on the platform that he knew it ought to attain. Broadcasting can cause the next war; it can prevent the next war... the builders are usually unknown; the destroyers it is who usually figure as the great men in history... So as far as broadcasting as a cultural influence in the country is concerned we can regard it as having won a place in the platform of all political parties in the country. I think that is something of an achievement... I'd like to think I've had something to do with it... I've tried to raise standards... in every single department there have been vast improvements in broadcasting..."

Shelley's preoccupation with bringing the "best" available talent to the New Zealand microphone is illustrated in the following excerpts from the Service's annual reports.

March 31, 1938

"During the period the Service made full use of the best musical and other talent available in the Dominion and in addition many notable artists from overseas were engaged. The library of recordings has been extensively enlarged, and through this medium items by the most famous international artists and combinations are available for the benefit of listeners." - p.3.

"Whenever possible, notable visitors to the Dominion have been induced to broadcast talks, generally on subjects on which they are authorities. In this way listeners have been afforded the opportunity of hearing authoritative views on many important subjects." - p.3.

March 31, 1941

"(Musical) engagements were given as usual to the best available local artists and musical societies, choirs, etc." - p.4.

March 31, 1944

"There was, however, still a substantial amount of normal broadcast fare available each day, and the standard of this was maintained by the use of local performers and the best recorded material from overseas." - p.1.

March 31, 1945

"...the time available for normal programmes of music and entertainment was still curtailed, but the standard was maintained by the use of the best local performers and the best recorded material from overseas." - p.1.

"Variety programmes from the best overseas recordings and by local artists and combinations were broadcast." - p.3.

March 31, 1946

"The number of visitors who spoke to New Zealand through the service, either at official receptions or in special talks, or both, was the greatest in recent years. They included Lord Alanbrooke, Chief of the Imperial General Staff; Vice-Admiral Sir Philip Vian, Second in Command, British Pacific Fleet...." etc. - p.4.

March 31, 1947

"It is too early at this stage to estimate the final effect the formation of this Orchestra will have on the musical life of the Dominion, but it is certain that it will be far-reaching and entirely beneficial." - p.14.

"The year 1946 marked the vigorous resumption by the N.Z.B.S. of another important activity, pursuing the policy of presenting at public concerts and recitals artists of world standing." - p.14.

"It is regarded as a matter of first importance that younger musical enthusiasts should be given every encouragement to hear the master-pieces of music performed by the world's greatest artists." - p.15.

APPENDIX B: The Board's 1967 Draft Broadcasting Bill

An Act to define the law relating to broadcasting in New Zealand and to establish the New Zealand Broadcasting Corporation and also to establish the Board of Control and to define their respective functions and powers.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled and by the authority of the same as follows:

1. Short Title and commencement - (1) This Act may be cited as the Broadcasting Act 1967.

(2) This Act shall come into force on the day of 1967.

2. INTERPRETATION - In this Act, unless the context otherwise requires, -
(As per Section 2 of the Broadcasting Corporation Act 1961 deleting definition of "Warrant" and adding further definitions of "Board of Control" and "Governors"; also deleting the definition of "Director-General").

3. ESTABLISHMENT OF BOARD CONTROL -

Defining the membership of the Board of Control to be appointed by the Governor-General and who may only be removed by the Governor-General upon the address of the House of Representatives. The terms of office of members of the Board of Control also to be defined, together with number constituting a quorum of the Board.

4. DUTIES OF BOARD OF CONTROL -

To be defined, including their power to issue licences for broadcasting and to regulate and control broadcasting and persons licensed to broadcast: provide the guide lines, if thought desirable, within which the Board of Control is to operate and specifically provide that the Board of Control shall from time to time comply with such general or special directives as may be delivered to the Board of Control from the Minister of Broadcasting in pursuance of any resolution of the House of Representatives. Provide further that under no other circumstances shall the Board of Control be obliged to act as an instrument of Government policy.

5. NEW ZEALAND BROADCASTING CORPORATION -

Provide for establishment of New Zealand Broadcasting Corporation along similar lines to Section 3 of the present Act.

6. TERM OF OFFICE OF MEMBERS OF THE CORPORATION -

Provide for appointment of members of the Corporation along the lines of Clause 4 of the present legislation.

7. DEPUTIES OF MEMBERS -

Provision for Deputies of Members of New Zealand Broadcasting Corporation along lines of present Section 5 of the Act. Similar provision could be inserted to cover provisions relating to the Board of Control.

8. EXTRAORDINARY VACANCIES -

Provision along lines contained in Section 6 of the present Act and add further provision covering relevant aspects in so far as members of the Board of Control are concerned but deleting any reference to removal from office.

9. MEETINGS OF CORPORATION -

This to be on similar lines to Section 7 of the present Act. Similar provisions to be incorporated relating to the Board of Control.

10. COMMITTEES -

Similar provisions in relation to Section 8 of the present Act in connection with Committees of the New Zealand Broadcasting Corporation. It may be considered desirable to include a similar provision conferring similar powers in relation to the Board of Control. It should be noted that it is not intended that there should be any new legislation or any provision corresponding to Section 9 in the present Act.

11. GENERAL FUNCTIONS OF BOARD OF CONTROL -

These provisions to be on similar lines contained in Section 10 of the present Act relating to the New Zealand Broadcasting Corporation but having deleted therefrom paragraph (a) of subsection (1) and so amending paragraph (b) of subsection (1). That it applies to all authorities to establish and operate broadcasting stations in New Zealand.

12. GENERAL FUNCTIONS OF NEW ZEALAND BROADCASTING CORPORATION -

This section to define the general functions of the Corporation being more specifically that contained in paragraph (a) of subsection (1) of Section 10 of the present Act. It should be noted at this stage that it is emphatically recommended that no provision comparable with Section 11 of the present Act should be contained in the proposed legislation.

13. POWERS OF BOARD OF CONTROL -

These to be set out in full covering the various matters envisaged, such as licensing and the imposition and implementation of the forms of control envisaged in the Government's election policy, including such of the powers contained in Section 12 of the present Act as are thought appropriate.

14. POWERS OF BOARD OF CONTROL -

Set out powers of Board of Control such as are necessary or desirable, including such of those as are contained in Section 12 of the present Act as may be thought appropriate.

15. POWERS OF CORPORATION -

This section to confer on the Corporation such of the powers rights and authorities as it is thought justified. In this context the majority of the powers contained in the section 12 of the present Act are apposite authorising the Corporation to incur unauthorised expenditure to a much greater degree than at present permitted and removing altogether the present limitation of such unauthorised expenditure or ameliorating considerably the present somewhat restrictive financial provisions.

16. SHORT-WAVE STATIONS -

Similar section as is contained in Section 13 of the present legislation but presumably prohibiting absolutely the right of any person other than the New Zealand Broadcasting Corporation to operate a short-wave station. This presumably would require the repeal of subsection (5) of the present Section 13. Alternatively it may be decided at this stage that operation of short-wave stations is a matter of concern for some other department of State, i.e. External Affairs, and that provision should be made accordingly.

17. PROGRAMMES MAY BE PROVIDED BY CONTRACTOR -

Similar provisions to those contained in Section 14.

18. POWER TO TAKE LAND -

Similar provisions to those contained in Section 15 of the present Act.

19. OFFICES OF EMPLOYEES -

Similar provisions to those contained in Section 17 of the present Act with the following alterations: Subsections 2 and 3 of the present Section 17 to be deleted removing the limitation on salaries and allowances paid to members of the Corporation's staff severing the requirement that the terms and conditions of employment of Corporation staff members must have the imprimature of the State Services Commission. In addition, subsections (6) and (7) of the present Section 17 should be deleted. It should be noted that it is not proposed to re-enact the present Section 16 of the Broadcasting Corporation Act, although reference could be made to the fact that the first General Manager appointed by the Broadcasting Corporation as then constituted should be the person carrying out the duties of the Director-General of Broadcasting under the present legislation.

(Note: It is desired that the Corporation should be unfettered in the conditions of employment it proposes to offer its staff, for the reason that if the Corporation is to be enabled to compete with such persons or companies as may engage in broadcasting in the private sector it should be able to do so, as well as enable it to attract and retain staff in competition with the private enterprise sector.)

20. DELEGATION OF POWERS OF THE CORPORATION -

Similar provisions to those contained in Section 18 of the present legislation but removing any specific reference to the Director-General. The intention here is that any delegated powers of the New Zealand Broadcasting Commission should be vested in the Chairman and the individual member or members of the Corporation. It is also considered advisable that there should be contained a specific authorisation in respect of subdelegation.

21. TRANSITIONAL PROVISIONS -

Provisions similar to those contained in Sections 19 and 20 of the present Act, amended as necessary, and presumably limited in the scope to the carry-over to the new Broadcasting Corporation, leaving the Board of Control to commence de novo.

22. FINANCIAL PROVISIONS -

The provisions similar to those contained in Sections 21, 22 and 23 of the present Act but containing such limiting provisions as it is thought desirable to separate revenue for (a) the Board of Control and (b) the Broadcasting Corporation. At this stage reference to the Director-General will be deleted and thought must be given to the distribution of moneys received, whether by way of annual licence fees or as a result of the conferment of broadcasting authorities, whether to the New Zealand Broadcasting Commission or to independent third parties. The provision of finance for both the Board of Control and the Broadcasting Corporation will have to be carefully balanced, bearing in mind their respective needs. In addition, it is desired to delete any provision corresponding to Section 51 of the present Broadcasting Act in relation to members of either the Board of Control or the Broadcasting Corporation, as it is considered that this provision operates unsatisfactorily and it is desired to take the finance of the Board of Control and the Broadcasting Corporation out of the area where they are covered by the Public Revenues Act, 1953, where they are subject to Government audit and, although leaving them subject to audit, put them in a category where the Corporation is at liberty to appoint its own auditors. This is considered desirable as part of the general intention to obtain both actual and apparent freedom from governmental control. This would mean a deletion of the above Section 30 contained in the present legislation.

23. ADVANCES TO CORPORATION -

Provisions similar to those contained in Section 25 of the present Act.

24. INVESTMENT OF MONEY -

Similar provision to that contained in Section 26 of the present Act but amplified so that it can apply to both the Broadcasting Corporation and the Board of Control.

25. ANNUAL REPORT AND ACCOUNTS TO BE PRESENTED TO PARLIAMENT -

Similar provisions to those contained in Section 28 of the present Act but amplified to cover the Board of Control as well as the Broadcasting Corporation. In addition the Board of Control to be required to lay before Parliament within the same time limitations as are prescribed in subsection (2) of Section 28 of the present legislation, full details of such directions as it may give to the operators of any broadcasting station under directory powers to be conferred upon it.

26. AUTHORISATIONS TO OPERATE BROADCASTING STATIONS -

Provisions to be inserted here authorising the Board of Control to issue authorities to any person, including the Broadcasting Corporation, to operate broadcasting stations and laying down the procedures to be followed and entertaining any application to operate a broadcasting station and setting out the broad bases of the matters which are to be considered when dealing with such an application. At this stage it is also considered desirable to define the types of licences which may be issued into, say, national programmes, commercial programmes and such type of non-profit making operation, such as that run by some religious organisation. Further subdivisions into television and radio as such are also considered desirable. There should also be included herein such other restrictions or limitations as are considered desirable and saving provisions should be considered to preserve existing rights, leaving the Board of Control, however, to specify the specific category of licence into which the existing licence holders should fall. With these provisions there would have to be spelled out the general disciplinary powers which would be conferred upon the Board of Control and the general lines of operation upon which they should be exercised.

27. PERSONS OPERATING BROADCASTING STATIONS TO COMPLY WITH THE POST OFFICE ACT, 1959 -

Insert similar provision to that contained in Section 45 of the present Act.

28. PROVISIONS AS TO ADVERTISING -

Similar provisions to those contained in Section 46 of the present Act but altered to suit the proposed basis of operation.

29. CONTRACTS -

Similar provisions to those contained in Section 47 of the present legislation but amplified to cover the position of both the Board of Control and the Broadcasting Corporation.

30. TAXATION -

Provision similar to those contained in Section 48 of the present legislation but amplified to exempt, presumably, the Board of Control from liability to taxation.

31. AUTHORITY TO INSURE MEMBERS OF STAFF -

Provisions similar to those contained in Section 49 of the present legislation amplified to cover both the Board of Control and the Broadcasting Corporation and further amplified to confer specific authority to make compassionate grants to surviving relatives of deceased staff members and, in addition, containing provision to insure not only members of the Board of Control or the Broadcasting Corporation but also employees in respect of loss of personal accident arising in the course of carrying out their duties and authorising the payment of the premiums in respect of such insurances.

32. PROHIBITION ON FORMATION OF OTHER CORPORATIONS OF SIMILAR NAME -

Section corresponding to Section 50 of the present legislation.

33. MEMBERS OF BOARD OF CONTROL AND OF CORPORATION NOT PERSONALLY LIABLE -

Similar provisions to those contained in Section 52 of the present legislation extended to cover both the Board of Control and the Corporation.

34. GOVERNMENT DEPARTMENTS MAY PROVIDE SERVICES -

Provisions similar to those contained in Section 53 of the present legislation but amplified to extend to the Board of Control as well as to the Corporation.

35. REGULATIONS -

Provisions similar to those contained in Section 54 of the present legislation, amended as necessary and having added thereto such other regulation-making powers as may be considered necessary or desirable.

36. PIRATES -

Stringent and effective legislation to be enacted to enable complete control over pirate radio stations to the extent that they can effectively be put off the air. It is essential that this should be included in any legislation now contemplated as a failure on Government's part to deal immediately with this specific problem makes a mockery of any proposal to cover broadcasting within New Zealand.

37. DEFAMATION -

A provision to be inserted to provide for any person operating a broadcasting station immunity, whether criminal or civil, from liability in respect of any statements or visual images produced or created on live broadcasts and also from similar liability in respect of taped broadcasts or edited telecasts, except where there has been a reasonable temporal opportunity available for the proper editing of such recorded matter.

38. SAVING PROVISIONS -

Insertion of such necessary provisions as shall be requisite to provide continuity for the present method of operation in meshing in with the new proposals, together with such pensioning of provisions as may be considered desirable.

NOTES:

As the above has been produced at short notice it is considered desirable that a reasonable opportunity should be afforded to consider the matter. Furthermore, the provisions relating to the new Board of Control are intended to confer upon the members of that body such a freedom from outside interference as is at present conferred upon judicial officers of the highest class. It should be noted that the reason behind this is an intention to confer an inviolate and impartial status in the community, which should be readily apparent to all persons having dealings with such authorities. The reasoning behind this is because of the intense effect which modern broadcasting, both sound and television, has and there is therefore a corresponding desire to ensure that this medium should not be used in any manner inimical to the country's best interests. Furthermore, when considering the constitution of both the Board of Control and the New Zealand Broadcasting Commission it is desired that regard be had to the question of whether or not a full time executive member should be at the head of either or both the Board of Control and the Broadcasting Corporation.

APPENDIX C: Pre-1968/69 Reorganisation (a)

APPENDIX C (cont'd): Pre-1968/69 Reorganisation (b)

REGIONAL DIRECTOR
(Northern)

(Position filled in an acting capacity.
No maximum salary stipulated)

REGIONAL DIRECTOR

(Central)

J.L.O. Hartstonge \$14,972 (g)

REGIONAL SALES
MANAGER
(Central)
F.E. Bladen
\$8,637

REGIONAL EXECUTIVE
OFFICER (Central)
J.K. Rodley
\$9,696

REGIONAL ENGINEER
(Central)
J.H. Heyhoe
\$11,671

REGIONAL EDITOR
(Central)
R.A. Melville
\$9,104

REGIONAL TECHNICAL SUPERINTENDENT
G.C. Andrew - \$9,104

TELEVISION MANAGER
(Wellington)
A.E. Black - \$10,953

RADIO MANAGER
(Wellington)
N.J.I.W. Wade - \$12,498 (g) Retirement date 31.3.74

STATION MANAGERS
Gisborne
Hawkes Bay
New Plymouth
Wanganui
Palmerston North
Masterton
Blenheim
Nelson

I.L. Vernazoni \$9,696
E.G. Rowell \$10,288
W.H. Charman \$9,696
R.C. Rayner \$8,171
P.G. Parker \$10,288
G.M.L. Storry \$9,104
J.S.A. Stubbs \$8,171
D.L. Jones \$8,637

REGIONAL DIRECTOR

(Southern)

J.N.M. Norman \$15,831 (g)

the Period 1962 - 1972

<u>Name</u>	<u>Occupation</u>	<u>Term</u>
Dr. F.J. Llewellyn (Chairman)	University Administrator	1. 4.62 - 31. 3.65
James A. Stenberg	Businessman	1. 4.62 - 31. 3.66.
Reeves Harris	Businessman	1. 4.62 - 31. 3.70
C.A. McFarlane (Chairman)	Ret'd. P.O. Director-General	20. 4.65 - 31. 1.69
R.J. Laurenson	Ret'd. Oil Co. Exec./Businessman	1. 4.66 - 31. 3.72
J.B. Price	Oil Co. Managing Director/Businessman	1. 4.66 - 31. 3.72
G.E. Stock	Businessman	1. 4.66 - 31. 3.71
R.K. Trimmer	Ret'd. Lawyer; Chairman Nth'land Harbour Bd.	1. 4.66 - 31. 3.71
D.F.C. Saxton	General Mgr., Taranaki Newspapers Ltd.	1. 4.66 - 31. 3.71
Major-General W.S. McKinnon (Chairman)	Ret'd. Chief Gen. Staff	1. 2.69 - 31. 1.74
Dorothy P. McNab	Housewife	1. 4.70 - 31. 3.73
B.E. Brill	Lawyer	1. 4.71 - 25. 7.72
J. Collins	Company Director	1. 4.71 - 31. 1.74
M.L. Tronson	Auckland City Public Relations Officer	1. 4.71 - 31. 3.73
B.G. Cathie	Chartered Accountant	1. 4.72 - 31. 1.74
Rev. K.M. Ihaka	Minister of Religion	1. 4.72 - 31. 1.74

N.Z. Broadcasting Authority Members Appointed During

the Period 1969 - 1973*

<u>Name</u>	<u>Occupation</u>	<u>Term</u>
R.T. Garlick (Chairman)	Lawyer	1. 1.69 - 30. 9.69
R.T. Peacock (Chairman)	Lawyer	4. 8.69 - 17.12.73
H.E. Duff Daysh	Stockbroker	1. 1.69 - 21. 9.70
R.B. Miller	Businessman	1. 1.69 - 10. 5.73
Dr. H.C. Holland	Company Executive	28. 9.70 - 17.12.73
W.F. Ford	Minister of Religion	11. 5.73 - 17.12.73

* The Authority was abolished as from 18.12.73.

APPENDIX E : Excerpt from Submission of R.J. Gregory and J.L. Roberts to
the Parliamentary Select Committee on Broadcasting, November 3,
1976.

Our next point relates to the membership of the Corporation and Tribunal established by the Act. We have melancholy proof in the composition of the NZBC Board in 1972 that we must expect partisan behaviour in this process of appointment unless there are clear statutory safeguards. This is particularly repugnant in broadcasting precisely because, like the courts, it must be seen to be above suspicion of partisan behaviour as the representative of the broad community interest.

Therefore we suggest that a means be found to ensure a satisfactory representation of the public rather than the party in power long enough to control appointments.

Drawing upon the analogy of indirect election of education boards by school committees, we suggest that Clause 4 of the Bill be replaced by legislative provision to the following end:

- (1) The Corporation shall be appointed by the Governor-General on the recommendation of the Minister for two years from the effective date of the Act.
- (2) It shall be the responsibility of the Corporation to appoint four Broadcasting Advisory Committees to meet from time to time in Auckland, Wellington, Christchurch and Dunedin. (Presumably, it is currently intended that advisory committees may be appointed under Clause 10 (4).)
- (3) Each of the committees shall consist of twenty members living in the districts adjacent to Auckland, Wellington, Christchurch and Dunedin chosen on the basis of their eminence in cultural, economic, community and political affairs.
- (4) Each committee shall advise the Corporation from time to time on the needs of the community in relation to the works of the Corporation.
- (5) On the first day of October in the second year following the inception of the Act and at regular intervals of three years thereafter, the committees shall each forward to the Corporation six nominations for the position of member of the Board of the Corporation.

- (6) The Corporation shall then arrange to hold an election before the 1st day of December for the nine positions on the Board, to be conducted by postal ballot among the eighty members of the Broadcasting Advisory Committees.
- (7) Those nominees who secure the greatest number of preferential votes as a result of this ballot shall be recommended by the government to the Governor-General for appointment as members of the Corporation for three years as from the first day of January of the year immediately succeeding the date of the election.
- (8) The government shall appoint one of the persons so appointed to be chairman for his period of office as a member.

It is our view that this procedure for appointment would reinforce the public responsibility of the Corporation, provide a link to community interest in broadcasting and generate concern for the objectives of a public broadcasting system without creating undesirable commitments to any special functional or geographic interests.

If Parliament does not wish at this time to depart from precedent to provide for such elections, we suggest that the Bill could be improved and the possibility of partisan appointment reduced if it required the Minister to ensure that his choice of members was guided by an attempt to secure representation based on a range of community interests. For this purpose Clause 4 could be extended to provide for the following objectives :

"In recommending appointments to the Board, the Minister shall have regard to the following considerations :

- (1) The members of the Board should be people of recognized achievement in their field.
- (2) The Minister should endeavour to see that persons with qualifications in the following areas are sought out for appointment:
 - (a) Economics including manufacturing, agriculture, finance and service industries.
 - (b) Cultural including the visual and performing arts, literature, education, and community organisations.
 - (c) Social including social services, trade union activities, family affairs, community advice and participation.
- (3) Generally in recommending appointments to the Board, the Minister shall have regard to the need to ensure a wide representation of interests and the effectiveness of the appointees in ensuring that the public interest in broadcasting is conveyed to the persons appointed to direct the affairs of the Corporation." *

* We refer the Committee to the Local Government Act 1974 Section 3(3) requiring the Government to take into account qualities of appointees to the Commission.

APPENDIX F : Prominence Index: Introductory Paragraphs of

N.Z.B.C. Annual Reports, 1963-73

REFERENCE TO:	FREQUENCY COUNT	AVERAGE INTENSITY	PROMINENCE INDEX
Progress on TV transmitting facilities	10	4. 0	40
Licence/revenue growth	7	3. 0	21
NZBC's financial self-sufficiency	6	3. 0	18
Assistance to, and respect from, overseas b/casting orgs.	6	3. 0	18
Fostering of national and community identity	6	2. 5	15
Comparison of NZBC's resources with overseas orgs.	5	3. 0	15
NZBC's responsibilities laid down by Act	4	3.75	15
Maintenance of professional standards	4	3.75	15
Public service broadcasting ideals	4	3. 5	14
Improving radio coverage	4	3. 5	14
State and improvement of TV studios	4	3. 0	12
Public criticism of NZBC	4	2. 5	10
NZBC's independence	2	4. 5	9
Fostering N.Z. talent	3	2.67	8.01
Costs, generally	4	2. 0	8
Limitations of (inadequate) TV studio facilities	2	3. 5	7
NZBC teamwork/staff morale	2	2. 0	4
NZBC's limited resources	2	2. 0	4

APPENDIX F: Prominence Index: Director-General's Message in
(cont'd.) "Relay" (N.Z.B.C. house magazine), 1963-73

REFERENCE TO :	FREQUENCY COUNT	AVERAGE INTENSITY	PROMINENCE INDEX
NZBC teamwork/staff morale	24	3. 0	72
Progress on TV transmitting facilities	20	3. 5	70
Public criticism of NZBC	23	3. 0	69
Licence/revenue growth	16	3. 5	56
Assistance to, and respect from, overseas b/casting orgs.	13	4. 0	52
Public service broadcasting ideals	14	3. 5	49
Improving radio coverage	13	3. 0	39
Maintenance of professional standards	11	3. 5	38.5
State and improvement of TV studios	8	3. 5	28
Limitations of (inadequate) TV studio facilities	7	3. 5	24.5
NZBC's responsibilities laid down by Act	7	3. 5	24.5
Upcoming technical innovations	8	3. 0	24
NZBC's independence	6	4. 0	24
Fostering NZ talent	7	3. 0	21
NZBC's need to "reflect" society as a whole	7	3. 0	21
NZBC's financial self-sufficiency	6	3. 5	21
Costs, generally	8	2. 5	20
Comparison of NZBC's resources with overseas orgs.	6	3. 0	18

APPENDIX F: Random examples of statements from NZBC Annual Reports

(cont'd). reflecting important elements of the organisation's ideology.

March 31, 1965

"The Corporation makes considerable contributions towards the work of cultural organisations in New Zealand. In the year under review the NZBC paid to the Queen Elizabeth II Arts Council of New Zealand the sum of £10,000, which was intended to aid the establishment of regional orchestras and the development of music throughout the country." - pp. 6-7

"Clearly, unless the Corporation is to contract its plan of capital development, or resort to loan finance, it must continue to earn a large revenue surplus from its annual operations in order to provide finances to carry out its plan to complete, extend and improve the television and radio coverage of New Zealand." - p. 27.

"It was a year of tremendous expansion of the television audience as is evidenced by the increase of 146,176 television licences on issue. Many factors led to this expansion"... (capital development). - p. 4.

March 31, 1967

"Increasing liaison with broadcasting organisations outside New Zealand continued in the year under review, both in the administrative and programme fields. The Asian Broadcasting Union, of which the NZBC is a foundation member, has continued to develop and to provide assistance to the broadcasting systems within its area. At the Third General Assembly of the ABU, Mr G.H. Stringer, Director-General of the NZBC, was elected senior vice-president of the Union. The NZBC is a member of the European Broadcasting Union and was represented at the 1966 General Assembly of the Union held at Dublin. Overseas programme exchange activities of the Corporation continued to increase and have now been extended into the television field." - p. 5.

March 31, 1968

"It has been a matter of concern for some time that production of local television programmes has been restricted by extremely limited studio facilities... In February 1968 the Corporation was pleased to receive approval from Government to accept a tender for the building of a studio block at Avalon. The cost of establishing and operating the building will commit a large part of the Corporation's financial resources - both in capital reserves and future income - but a major studio block is essential if television is to develop a national character. The estimated date of completion is late 1970." - p. 4.

"It is now estimated that well over 75 percent of New Zealand homes have licensed television receivers, while coverage in varying degrees of quality is available to something over 90 percent of the country. With the increasing saturation of households there has been a noticeable tendency for the rate of increase of television licences to slow down and it is appropriate in this report to examine the growth of television licences over the past few years. Television licences were not required throughout the whole country until the end of 1961: by the end of 1962 there were over 65,000 licences on issue and in successive years the totals rose to 143,000, 287,000, 412,000 and 515,000 respectively. At the end of 1967 the figure stood at 569,020, while on 31 March 1968, the total had risen to 575,947 - an increase of 46,059 in the financial year." - p. 4.

March 31, 1971

"Approval by Government in 1963 of the 7-year development programme was conditional on all expenditure being met from revenue and this condition has been observed. (The sum of \$800,000 was borrowed from the National Development Loans Account towards the end of the 1962-63 financial year, and repaid 5 years later.) It has also been accomplished after payment of normal taxation on advertising revenue and without any increase in either radio or television licence fees." - p. 6.

"Methods of reducing costs and increasing income are at present the subject of close study. In the meantime the corporation intends to preserve to the fullest extent possible the service that has been built up over the past 40 years. At small cost it has so far provided technical and programme standards that compare favourably with the highest in the world." - p.7.

"Because of the nature of the terrain and the dispersal of the population the establishment of television has posed engineering problems not often met by other countries. The testing, planning and design work required before the installation of equipment is both complex and time-consuming and this has led to unavoidable delays in commissioning installations. However, the progress that has been made, with limited resources compares most favourably with other countries, many with much greater population concentrations and dealing with a much easier terrain." - p. 5.

March 31, 1973

"... it is not often realised that the NZBC not only produces radio and television programmes: it maintains the country's only fully professional symphony orchestra and promotes other concerts; it provides the most extensive advertising service in New Zealand; it plans and operates its own engineering and technical facilities; it provides a nation-wide news service, the Listener, programmes for use by other countries and a short-wave service, and carries on many other activities which are often not appreciated by the public. To undertake all these requires a supporting administrative staff.

"It also is sometimes argued that the administration of the organisation as it is, tends to hamper or depress programme production and enterprise in programmes. This argument usually overlooks the fact that the corporation and, by delegation its executive, is responsible for standards imposed by statute and regulations. It also has its own standards. Those responsible for the administration of policies on standards are themselves broadcasters who have become administrators after many years of practical broadcasting experience. Those now charged with the production of programmes have made substantial advances in recent years - particularly in the field of locally produced programmes. Experts have been brought to New Zealand to assist in these efforts and while much still remains to be done, advances have undoubtedly been made.

"It is true that in the last few years the NZBC has not been able to plan and operate with any certainty of the future and this has without question inhibited forward planning with obvious disadvantage to all. As far back as 1964 the corporation sought Government approval to plan for a second channel. Because of the economic situation and the need to provide single-channel coverage, which the corporation readily acknowledged, the decision was deferred. Nevertheless in all major installations, provision was made for a possible second channel and, perforce, regard was had in channel allocation to allow for another network. As previously mentioned, these facilities have all been financed from the NZBC's own revenue. However, the establishment of the Broadcasting Authority, its subsequent inquiry into the extension of television services, and the hearings on warrant applications again made it impossible for the corporation to plan with any certainty. Operations were also affected because of the amount of time and effort, particularly in programme, engineering, and financial fields, which had to be diverted to these hearings." - pp. 5-6.

"Despite the difficulties of the last year, the corporation feels justified in claiming that its service to the public of New Zealand has not only been maintained, but improved. The reports which follow describe some of its successes and achievements, but they cannot do justice to the thousands of hours of high quality programmes which were produced and broadcast. The corporation is also pleased to report its financial result, an operating surplus of \$2.6 million after providing for depreciation. This recovery from a trend towards an operating deficit is the result mainly of a sustained sales drive in radio, the increase in licence fee, and stringent financial control over costs." - p.6.

APPENDIX F : NZBC's 1971 review of 10-year's of television development, from
(Cont'd) Annual Report for year ended March 31, 1971, pp. 5-6.

1970 saw the end of the first decade of regular television transmission in New Zealand. This report provides a useful opportunity to review the progress made in the development of the television services over that period and particularly the implementation of the 7-year plan submitted by the corporation and approved by Government in 1963 to provide first channel television coverage.

Transmission first began in Auckland from a single 0.5kW transmitter with a programme service of 6 hours each week. Technical and programme service has now expanded to the point where the corporation operates 6 transmitters of 100kW, 7 of between 1 and 50kW and over 60 of less than 1kW with a programme service of 65 hours a week. The signals from corporation transmitters provide for 93 percent of the population; in addition some 330 small units licensed to the corporation are operated by private individuals or societies, the latter receiving financial assistance from the NZBC. It is estimated that these small transmitters cover 6 percent of the population giving a total coverage, with varying degrees of signal quality, to 99 percent of the population.

Because of the nature of the terrain and the dispersal of the population the establishment of television has posed engineering problems not often met by other countries. The testing, planning and design work required before the installation of equipment is both complex and time-consuming and this has led to unavoidable delays in commissioning installations. However, the progress that has been made, with limited resources, compares most favourably with other countries, many with much greater population concentrations and dealing with a much easier terrain.

The major areas still requiring upgrading are Nelson - West Coast, Central Otago, south Taranaki, and the King Country, Taupo, and Bay of Plenty. Of these part of the Nelson - West Coast system is due for completion in 1971, and planning is in progress for the other areas and some smaller localities. In all installations allowance has been made for ultimate two-channel operation, although the first priority has been single channel coverage.

The corporation has also established a network link (used primarily for news or events of special topicality) which is unusual in that it combines microwave transmissions with signals from programme transmitters.

It does not have the flexibility of a full microwave link but as an interim measure it has made possible the showing of up-to-date events from many parts of the country. Engineering surveys have been made to extend and improve the present system and modern microwave equipment has been ordered to replace many of the rebroadcast sections.

Apart from coverage, the development plan provided also for the establishment of at least one studio complex but progress in this respect has not been nearly as satisfactory as the corporation would have wished. Substantial progress has been made but the corporation still does not have a studio complex designed and built specifically for television. Conversion of radio studios and other buildings has been necessary and this has allowed the production of many local programmes. The studios are, however, far from ideal. The major studio project is the Avalon complex in Lower Hutt. When completed this will be the first major production centre in New Zealand, and will enable the corporation to increase considerably its range and number of productions. It has now been found necessary to extend the contract period although agreement has been reached that the technical wing will be completed in late 1971 so that installation of technical equipment can be started.

Approval by Government in 1963 of the 7-year development programme was conditional on all expenditure being met from revenue and this condition has been observed. (The sum of \$800,000 was borrowed from the National Development Loans Account towards the end of the 1962-63 financial year, and repaid 5 years later.) It has also been accomplished after payment of normal taxation on advertising revenue and without any increase in either radio or television licence fees. It can fairly be said that the use of a pool of total revenue has served New Zealand well. Not only has it allowed the expansion of television: it has been essential in recent years in maintaining radio services and other activities of the corporation which make a significant contribution to the cultural and social life of the country. For example, without this fund the corporation could not have organised and produced the entertainment programme for Expo '70 in Japan. This was the biggest project of its kind in the history of New Zealand.

APPENDIX F : N.Z.B.C.'s Objectives, Adopted 1969

(Cont'd)

The aims and purposes of the Corporation are defined by the Board in the following Objectives of the NZBC :

- (a) The Corporation's principal objective will be to maintain broadcasting services in the best public interest and to act without fear or favour to merit confidence as an independent organisation within its statutory limitations.
- (b) The Corporation will broadcast a variety of programmes, which :
 - interests and appeals to a wide range of audiences;
 - contributes to the vitality of New Zealand society;
 - keeps abreast of the changing patterns of taste and opinion;
 - reflects the richness and variety of life in New Zealand;
 - and will undertake such programme production as will be appropriate to the attainment of these objectives.
- (c) The Corporation will ensure the continuing availability of a competent, enthusiastic and satisfied staff. To this end, its staff policies will be directed towards seeking out and rewarding merit and creating an atmosphere conducive to achievement.
- (d) The Corporation will both cover its operating costs and finance future development out of earnings from licence fees and advertising; it will maintain an appropriate balance between its sources of revenue to safeguard both the quantity and quality of the services provided; it will ensure that its services are provided with a due regard for economy.
- (e) The Corporation will operate and maintain a broadcasting service consisting of the following:
 - (i) a communication link, of high reliability and acceptable quality, to the people of New Zealand;
 - (ii) additional services of acceptable reliability and quality as justified, with due regard to economics.
- (f) The Corporation will as it considers appropriate encourage and support the arts in the community, particularly those associated with broadcasting.

APPENDIX F : Director-General's (L.R. Sceats) survey of "13-year record
 (Cont'd) of the Corporation", in last issue of "Relay", (early) 1975.

New Zealand is not alone today in seeing radical changes in the structure of public broadcasting systems. They are taking place, or are being contemplated in many European countries, and in some cases the changes bear a similarity to the restructuring about to be completed in this country.

The NZBC itself, we must not forget, was the result of a radical change brought about by the National Government in 1962, when the New Zealand Broadcasting Service - a Government department responsible to a Minister - was transformed into an independent public corporation, controlled by a Board appointed by the Government. Important changes took place on one or two occasions during the NZBC's term of existence, too, including an important internal restructuring, bringing regionalisation and a swing away from functional control at management level. In the 1930's and 1940's too, there were important structural changes.

At this time what I should like to emphasise is my belief that the NZBC made many valuable contributions to broadcasting in New Zealand, and has a proud record of achievement in the fields of equipment and operations. Even with only a moderate income from licence fees and advertising revenue the NZBC established a pattern of national and community radio stations serving most areas. Elsewhere in this issue a potted history of the Corporation gives a most illuminating list of real achievements, which repays study by all staff.

But the NZBC has nevertheless, within its available resources, utilised and encouraged the artistic talent of New Zealand, and fostered developed, and financed the New Zealand Symphony Orchestra. The NZBC's role in encouraging and entering into all forms of community endeavour, such as sport, culture, social advancement and informational projects, has been recognised by all in a position to appreciate it most.

Only in its last year of existence has the NZBC had to resort to loan monies for capital development and never has it received any money from taxation.

The NZBC has been held in high regard by professional broadcasters throughout the world, and particularly in the Asian and Pacific regions, where it has played its part in assisting the training of broadcasting staff in developing countries. While the NZBC's performance has not been perfect, a room for improvement has always existed, it has not been alone in this - either among broadcasting systems or among large organisations of

any kind. And improvements have continually been made when the need has been apparent, and the resources have been available to make them.

The NZBC has moved with the times, and inevitably become involved in the controversies of the day. It has had full regard for changing standards and opinions, without trying to lead or accelerate those changes. Unavoidably it has made enemies as well as friends, but I have learned in the last year or so that its friends have far outnumbered its foes. But the main achievement has been that the NZBC has always tried to do what it thought best in the long term public interest. It must be judged on the balance of its successes and failures, and I have no doubt that that balance has been favourable.

I hope that with larger financial backing the NZBC's successors will be able to carry on and complete such projects as the completion of the YC network, the development of FM and stereophonic broadcasts, the improvement of the quality and quantity of New Zealand programmes and the maintenance of standards; and with particular application to TV that the long-dreamed of two-channel system will give a more widely acceptable response to public demand; that quality will always take precedence over quantity; that this most telling medium will be used not just for entertainment, but above all for enlightenment and that standards continue to come before ratings.

As the Governor-General said at the opening of Avalon, TV is above all a channel for the expression of a nation's identity, outlook and aspirations, and local programmes must take full account of these.

At this moment I am proud of having been part of an organisation which has served New Zealand well at comparatively small cost to the consumer. May its successors do even better.

To the staff of the NZBC I should like to say that just as changes have taken place in the past, they will be inevitable in the future. Any changes bring advantages for some, and disadvantages for others. I am glad for those that have benefited by the latest changes, and very sorry for those who have been put at a disadvantage, but I will end by saying that a true professional will find job satisfaction, and unflagging interest in his or her own career. With all the pitfalls it is still good to travel hopefully.

Thank you, one and all for your zeal, loyalty and support in past years, and very best wishes for your future.

APPENDIX G : Parliamentary Questions on N.Z.B.C. 1962 - 72

YEAR	TV PROGRAMMES	RADIO PROGRAMMES	PROGRAMMES GENERAL	CONSTITUTIONAL ADMINISTRATIVE	TV COVERAGE	RADIO COVERAGE	TOTAL
1962	6	4	4	1	6	3	24
1963	3	1	5	3	7	3	22
1964	4	3	1	4	12	3	27
1965	11	6	1	2	13	7	40
1966	14	2	1	8	6	3	34
1967	15	3	9	10	10	7	54
1968	15	-	8	5	8	5	41
1969	19	1	5	5	8	4	42
1970	15	4	5	13	6	5	48
1971	18	8	-	15	9	3	53
1972	7	2	-	6	6	2	23
TOTAL	127	34	39	72	91	45	408

APPENDIX H: Major N.Z.B.C. Capital Development Projects, 1962-731962-63

Commissioning of 2kW radio station 1XA Kaitaia, and 1XE Kaikohe.
10kW television transmitter commissioned at Waiatarua, Auckland.

1963-64

10kW television transmitter commissioned at Dunedin.
Opening of Broadcasting House, Wellington.
Opening of Broadcasting House, Invercargill.

1964-65

Television repeater stations commissioned at Kuriwao, south Otago;
and Hedgehope, Southland.
New 2kW transmitter commissioned for radio station 2YW, Gisborne.
Opening of radio stations 3ZA, Greymouth; and 2ZE, Blenheim.

1965-66

100 kW television transmitters commissioned at Waiatarua, Auckland;
Mt. Te Aroha, Waikato; and Sugar Loaf, Christchurch.
Opening of radio stations 1ZA, Taupo; and 2ZH, Hawera.

1966-67

New transmitters commissioned for radio stations 2YZ, Napier;
2YB, Wellington; and 4YZ, Invercargill.
Opening of radio stations 1ZO, Tokoroa; 1ZU, Taumarunui; and
1YX, Whangarei.
100kW television transmitters commissioned on Mt. Kaukau, Wellington;
and Wharite Peak, Manawatu.
Three television transmitting stations commissioned in Northland;
and one on Mt. Egmont, Taranaki.
Television production studio in Auckland brought into full operation;
continuity suite commissioned in Dunedin television studios.
Studio and office building opened for radio station 2XP, New Plymouth.

1967-68

Govt. approval obtained for construction of television studio complex
at Avalon, in the Hutt Valley.
Further television transmitting station commissioned in Northland.
Radio station 1ZT, Turangi, opened.
Studio and office building opened for Rotorua radio stations 1YZ/ZC.
New radio studio opened in Hastings.

1968-69

Four television translators commissioned in west Taranaki.

1969-70

Combined "off-air" and microwave network established, linking television studio centres.

Television transmission system commissioned for Gisborne-East Coast area.

Contracts awarded for 11-storey tower block and services building for television complex at Avalon, Hutt Valley.

Television colour performance tests begun.

New radio station buildings opened at Whangarei and Nelson.

1970-71

50kW television transmitter commissioned on Mt. Cargill, Dunedin.

Additional television transmitter commissioned to up-grade Southland coverage.

High-powered television translator commissioned to serve Kaikoura area.

Major radio studio complex opened in Dunedin.

New radio studios opened at Gisborne.

1971-72

Government announces that N.Z.B.C.'s existing television channel to be converted to colour, using PAL system.

Television production studio commissioned in Christchurch.

National radio programme transmitter commissioned in Nelson.

Television transmission system commissioned for Nelson/Buller area.
(Post Office's satellite earth station opened at Warkworth.)

1972-73

Cabinet approves \$9m. expenditure to complete primary channel television coverage and conversion of the channel to colour.

Cabinet approves purchase of equipment for Avalon television complex.

Microwave television linking system completed.

Radio repeater station commissioned at Twizel (3ZO).

Note: This summary excludes television and radio developmental projects begun at various stages during this period, but not completed by 1973. These included television coverage of the Bay of Plenty, West Coast, and central Otago areas.

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Interviewees

(Persons Interviewed by the author)

<u>Name</u>	<u>Former Position</u>	<u>Interview Date</u>
L.R. Adams-Schneider*	Minister of Broadcasting (1967-69)	3.6.76 9.6.76
Bernard Beeby	Supervisor of Productions (N.B.S., N.Z.B.S.)	8.7.75
B.G. Broadhead	Editor, Current Affairs (N.Z.B.C.)	12.8.76
R.E. Coury	Editor, News; and Public Relations Manager, (N.Z.B.C.)	16.9.75 8.10.75 14.4.76
R.O. Douglas*	Minister of Broadcasting (1973-75)	16.2.77
P.A. Fabian	Public Relations Manager; and Editor, News (N.Z.B.C.)	19.5.76
J.H. Hall	Supervisor of Talks; Asst. Director (Progs.), N.Z.B.S.	4.8.75
K.M. Hay*	Executive Director (N.Z.B.C.)	1.6.76 3.6.76 (Phone)
M.H. Holcroft*	Editor, <u>N.Z. Listener</u> (N.Z.B.S./C.)	17.9.75
A.E. Kinsella*	Minister of Broadcasting (1961-63)	18.5.76
R.J. Laurenson*	N.Z.B.C. Board Member, (1966-72)	25.5.76
Sir John Marshall	Prime Minister, 1972	6.7.76
C.A. McFarlane **	Chairman, N.Z.B.C. Board, (1965-69)	4.5.76; 14.5.76 27.5.76; 15.6.76 16.12.76
Major-Gen. W.S. McKinnon*	Chairman, N.Z.B.C. Board (1969-74)	8.5.76; 12.5.76 15.2.77
D. Monaghan	Producer "Gallery" (N.Z.B.C.-TV Current Affairs)	15.7.76 24.8.76
N.R. Palmer	Director of Television; Executive Director, N.Z.B.C.	30.6.76
R.T. Peacock	Chairman, N.Z. Broad- casting Authority (1969-73)	29.6.76

A.K. Richardson	N.Z.B.C. Chief Engineer	27.7.76
M.A. Rickard	Controller of Sound Programmes; Executive Director, N.Z.B.C.	7.7.76
L.R. Sceats *	Director of Sound Broadcasting; Director-General (1970-75), N.Z.B.C.	21.5.76
J.H.E. Schroder*	Asst. Director, N.Z.B.S. (1949-58); Director of Broadcasting (1958-61)	26.8.75
W.J. Scott*	Minister of Broadcasting (1964-66)	10.5.76
T.F.A. Shankland	Controller of Television Programmes, N.Z.B.C.	27.7.76
G.H. Stringer*	Director-General of Broadcasting (1962-70)	30.9.75; 7.10.75 13.7.76
H.J. Walker*	Minister of Broadcasting (1970-72)	30.6.76

Additional Note

On 1.7.75 the writer interviewed G.H.O. Wilson, author of What's Wrong with Broadcasting: A Plan for Radio in New Zealand (Paul's, 1946), and former talks officer with the National Broadcasting Service.

On 26.7.78 the writer interviewed C.G. Costello, a delegate to National Party Dominion Conferences over a period of some 25 or so years, who has had a particular interest in the formulation of Party policy on broadcasting.

It should also be noted that the text includes brief references made in conversation (undated) with the author by two former N.Z.B.C. public relations officers, R.G. Bachop and Lyell Boyes, and on 28.2.79 by Dr. L. Cleveland (thesis supervisor), a former member of the N.Z.B.C.'s Central Regional Programme Advisory Committee.

* = interview(s) tape-recorded, in large part. All other interviews were recorded in writing.

** = interview of 14.5.76 tape-recorded; others recorded in writing.

Correspondence

(Persons with whom the author corresponded during research*)

<u>Name</u>	<u>Former Position</u>	<u>Date of Author's Letter(s)</u>	<u>Date of Respondent's Letter (s)</u>
F.W. Dawson	Controller of Administration, N.Z.B.C.	9.7.76	14.7.76
Sir John (formerly Dr. F.J.)Llewellyn	Chairman, N.Z.B.C. Board (1962-65)	10.10.75	28.10.75
Dorothy McNab	N.Z.B.C. Board Member (1970-73)	18.6.76 7.7.76	22.6.76 7.8.76
R.T. Peacock	Chairman, N.Z. Broadcasting Authority (1969-73)	7.7.76	15.7.76
J.A. Stenberg	N.Z.B.C. Board Member (1962-66)	18.5.76	31.5.76
R.K. Trimmer	N.Z.B.C. Board Member (1966-71)	18.6.76 7.7.76	30.6.76 17.7.76
M.L. Tronson	N.Z.B.C. Board Member (1971-73)	18.6.76	5.8.76

* This list includes only those persons who responded to questions posed in writing by the author.

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Had Access

* Series I/1	Correspondence with members of the N.Z. Broadcasting Board, 1931-36.
* Series I/1/1	Circular letters to all members of the N.Z. Broadcasting Board, 26.4.35 - 22.6.36
* Series I IV	Correspondence with the Postmaster-General, 19.12.33 - 29.6.36
N.Z.B.S. file	1/2/11 News General
" "	1/13/- Parliamentary Elections: Policy
" "	1/13/1 Elections, General and By -Elections
" "	1/13/2 Local Body Elections
" "	1/13/38 Parliamentary Election 1938
" "	1/13/43 " " 1943
" "	1/13/46 " " 1946
" "	1/13/49 " " 1949
" "	1/13/49-1 National Referendum on Compulsory Military Service, 1949
" "	1/13/51 Parliamentary Election 1951
" "	1/13/54 " " 1954
" "	1/13/57 " " 1957
" "	1/13/60 " " 1960
" "	2/12/1 General Policy-Determination re Broadcasting
N.Z.B.C. file	23/1/3 Press Statements by N.Z.B.C.
" "	23/1/4 Public Relations, General
" "	23/7/- Public Relations, Policy and General
" "	23/7/1 Public Relations, Correspondence with Press and Press Releases
" "	23/7/2 Public Relations, General Correspondence with Public re TV

N.Z.B.C. file	23/7/4	Public Relations, General Correspondence with Public re Radio
"	"	23/1/1-1 Amendments to Broadcasting Act
"	"	2/12/31 Regional Programme Advisory Committees, General
"	"	2/12/31-1 " " " Northern
"	"	2/12/31-2 " " " Central
"	"	2/12/31-3 " " " Southern
"	"	2/12/31-4 " " " Minutes of Committee Meetings

The files of N.Z.B.C. Board Minutes and associated papers are held separately under subject headings in the office of the Chairman of the Broadcasting Corporation of New Zealand. See explanation, in Introduction, of author's access to Board Minutes and papers.

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125	1903	350	1967
204	1924	351	1967
212	1927	354	1967
218	1928	355	1968
230	1931	357	1968
241	1935	358	1968
242	1935	362	1969
245	1936	366	1970
249	1937	368	1970
252	1938	370	1970
260	1941	374	1971
275	1946	379	1972
306	1955	387	1973
320	1959	397	1975
324	1960	406	1976
329	1961	408	1976
330	1962		
335	1963		
336	1963		
338	1964		
342	1965		
344	1965		
349	1966

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1961, No. 117

An Act to establish the New Zealand Broadcasting Corporation and to define its functions and powers

[1 December 1961]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. Short Title and commencement—(1) This Act may be cited as the Broadcasting Corporation Act 1961.

(2) This Act shall come into force on the first day of April, nineteen hundred and sixty-two.

2. Interpretation—In this Act, unless the context otherwise requires,—

“Advertising programme” means a programme or part of a programme intended to serve as an advertisement for the pecuniary benefit of any person:

“Broadcasting” means the dissemination of any form of radioelectric communication (including the wireless transmission of writing, signs, signals, pictures, images, and sounds of all kinds by means of Hertzian waves) intended to be received by the public either directly or through the medium of relay stations; and “to broadcast” has a corresponding meaning:

“Commercial station” means a broadcasting station established or operated by the Corporation from which advertising programmes are broadcast; but does not include a television station:

“Corporation” means the New Zealand Broadcasting Corporation established by this Act:

“Director-General” means the Director-General of Broadcasting appointed under this Act:

“Minister” means the Minister of Broadcasting:

"Private broadcasting station" means a broadcasting station established or operated by some person other than the Corporation:

"Programme" includes any signal, announcement, item, communication, picture, or other matter broadcast or intended to be broadcast from a broadcasting station for reception by the public:

"Short-wave station" means a broadcasting station operating on high frequency and providing programmes for reception beyond New Zealand:

"Television station" means a broadcasting station from which television programmes are broadcast:

"Warrant" means a warrant issued by the Minister under Part III of this Act in respect of the establishment or operation of a private broadcasting station.

PART I

NEW ZEALAND BROADCASTING CORPORATION

3. New Zealand Broadcasting Corporation—(1) There is hereby established a Corporation, to be called the New Zealand Broadcasting Corporation.

(2) The Corporation shall consist of three members who shall be appointed by the Governor-General and of whom one shall be appointed as Chairman.

(3) The Corporation shall be a body corporate with perpetual succession and a common seal, and shall be capable of holding real and personal property, and of suing and being sued, and of doing and suffering all such other acts and things as bodies corporate may do and suffer.

4. Terms of office of members of Corporation—(1) Except as otherwise provided by this Act, every member of the Corporation shall be appointed for a term of three years, but may from time to time be reappointed.

(2) With respect to the first members of the Corporation, other than the Chairman, appointed under this Act, the following provisions shall apply:

(a) One of those members shall retire at the expiration of one year from the date of their appointment, and the other member shall retire at the end of two years from that date:

(b) The member so to retire at the end of one year shall be determined by agreement of the two members; and failing agreement the member then to retire shall be determined by lot.

(3) Notwithstanding anything to the contrary in this Act, every member of the Board, unless he sooner vacates his office under section 6 of this Act, shall continue in office until his successor comes into office.

5. *Deputies of members*—(1) In any case in which the Minister is satisfied that any member of the Corporation is incapacitated by illness, absence, or other sufficient cause from performing the duties of his office, the Minister may appoint a deputy to act for that member during his incapacity.

(2) In the case of the incapacity of the Chairman his deputy may or may not be one of the other members, and if the deputy of the Chairman is one of the other members some other person may be appointed to act as the deputy of that member.

(3) Any deputy appointed under this section shall, while he acts as such, be deemed to be a member of the Corporation.

(4) No appointment of a deputy and no acts done by him as such, and no act done by the Corporation while any deputy is acting as such, shall in any proceedings be questioned on the ground that the occasion for his appointment had not arisen or had ceased.

6. *Extraordinary vacancies*—(1) Any member of the Corporation may at any time be removed from office by the Governor-General for disability, bankruptcy, neglect of duty, or misconduct proved to the satisfaction of the Governor-General, or may at any time resign his office by written notice given to the Minister.

(2) If any member of the Corporation dies or resigns, or is removed from office, his office shall become vacant and the vacancy shall be deemed to be an extraordinary vacancy.

(3) An extraordinary vacancy shall be filled by the appointment of a person in the same manner as the appointment of the vacating member.

(4) Every person appointed to fill an extraordinary vacancy shall be appointed for the residue of the term for which the vacating member was appointed.

(5) The powers of the Corporation shall not be affected by any vacancy in the membership thereof.

7. *Meetings of Corporation*—(1) The first meeting of the Corporation shall be held on a day to be appointed in that behalf by the Minister.

(2) Subsequent meetings of the Corporation shall be held at such times and places as the Corporation from time to time appoints.

(3) The Chairman of the Corporation, or any two members thereof, may at any time call a special meeting of the Corporation.

(4) At all meetings of the Corporation the quorum necessary for the transaction of business shall be two members.

(5) The Chairman shall preside at all meetings of the Corporation at which he is present.

(6) In the absence of the Chairman or his deputy from any meeting, the members present shall elect one of their number to preside at that meeting.

(7) All questions arising at any meeting of the Corporation shall be decided by a majority of the valid votes recorded thereon.

(8) At any meeting of the Corporation the Chairman or other person presiding shall have a deliberative vote and, in the case of an equality of votes, shall also have a casting vote.

(9) A resolution in writing signed, or assented to by letter or telegram, by all members of the Corporation shall be as valid and effectual as if it had been passed at a meeting of the Corporation duly called and constituted.

(10) Subject to the provisions of this Act and of any regulations thereunder, the Corporation may regulate its procedure in such manner as it thinks fit.

8. Committees—(1) The Corporation may from time to time appoint a committee or committees, consisting of two or more members, to advise the Corporation on such matters relating to broadcasting as are referred to them by the Corporation.

(2) In particular, but without limiting the generality of subsection (1) of this section, committees may be appointed to advise the Corporation on matters relating to religion, children's programmes, or advertising so far as those matters relate to broadcasting.

(3) Any person may be appointed to be a member of any committee appointed under this section notwithstanding that he is not a member of the Corporation.

(4) Subject to the provisions of this Act, of any regulations thereunder, or of any general or special directions of the Corporation, any such committee may regulate its procedure in such manner as it thinks fit.

9. Director-General may be represented at meetings—

(1) The Director-General or an officer of the Corporation appointed in that behalf by the Director-General may attend any meeting of the Corporation or any committee appointed by the Corporation.

(2) Any person attending a meeting under the authority of this section may take part in the deliberations but shall have no vote at the meeting and shall, if the Corporation or the committee so directs, retire temporarily from the meeting.

10. General functions of Corporation—(1) The general functions of the Corporation shall be—

- (a) To carry on a broadcasting service within New Zealand and from time to time develop, extend, and improve that service in the public interest:
- (b) To consider applications for warrants to establish and operate private broadcasting stations and other applications relating to warrants:
- (c) To exercise supervision and control over programmes broadcast from New Zealand broadcasting stations:
- (d) To advise the Minister in respect of matters relating to broadcasting:
- (e) To advise the Government as to the rates of fees which, in the opinion of the Corporation, should be payable in respect of broadcast receiving station licences, whether the licences are issued in respect of television broadcasting or otherwise:
- (f) To exercise and perform such functions, powers, and duties in relation to broadcasting as are conferred or imposed on it under this Act or otherwise howsoever.

(2) It shall be the duty of the Corporation to satisfy itself that, so far as possible, the programmes broadcast by the Corporation comply with the following requirements, that is to say—

- (a) That nothing is included in the programmes which offends against good taste or decency or is likely to incite to crime or to lead to disorder or to be offensive to public feeling:
- (b) That the programmes maintain a proper balance in their subject-matter and a high general standard of quality:
- (c) That any news given in the programmes (in whatever form) is presented with due accuracy and impartiality and with due regard to the public interest.

11. Corporation to comply with Government directions—
In the exercise of its functions and powers under this Act the Corporation shall comply with the general policy of the Government of New Zealand with respect to broadcasting and shall comply with any general or special directions given in writing by the Minister pursuant to the policy of the Government in relation thereto.

12. Powers of Corporation—(1) The Corporation shall have such powers, rights, and authorities as may reasonably be necessary or expedient to carry out its functions, and in particular it may from time to time—

- (a) Establish, install, and operate broadcasting stations:
- (b) Acquire by purchase, lease, sublease, or otherwise, any land or interest in land, with or without any building:
- (c) Erect, alter, or reconstruct any broadcasting station, or any building or structure for use in connection with any broadcasting station, or in connection with the exercise of its powers, on any land belonging to or administered by the Corporation:
- (d) With the prior approval of the Minister, dispose of by sale, lease, sublease, or otherwise any land or interest in land:
- (e) Acquire by purchase, bailment, or otherwise, any personal property, rights, or privileges that it thinks necessary for the purposes of this Act:
- (f) Dispose of by sale, bailment, or otherwise, or turn to account or otherwise deal with, any personal property, rights, or privileges of the Corporation:
- (g) With the prior approval of the Minister of Finance, and on and subject to such terms and conditions as that Minister may approve, advance money to any person or body of persons, whether incorporated or not, carrying on or intending to carry on the business of producing programmes for broadcasting, whether in conjunction with any other business or not, or give in respect of any advances made to any such person or body as aforesaid by any other person any guarantee, indemnity, or security:
- (h) With the prior approval of the Minister of Finance, subscribe for, acquire, and hold, and dispose of or otherwise deal with, shares or stock in any company, whether incorporated within or outside New Zealand, carrying on or intending to carry on

the business of providing programmes for broadcasting, whether in conjunction with any other business or not:

- (i) Use the facilities and equipment of the broadcasting service in such manner as may be thought fit for the purpose of promoting and assisting in the development and carrying on of those arts and cultural pursuits which are usually included in the purpose of broadcasting;
- (j) Organise and present concerts and entertainments for the general public or any section of the general public, notwithstanding that the concerts or entertainments may not be broadcast;
- (k) Take on lease, rent, or purchase houses, or purchase sites and erect houses, for the use of its officers;
- (l) Publish or arrange for the publication of such periodicals or other publications as it may consider of benefit to any broadcasting service carried on by the Corporation;
- (m) Do all such things as the Corporation considers to be in the interests of the community for the purpose of developing and improving broadcasting talent;
- (n) Act in combination or association with any person or body whether incorporated or not and whether in New Zealand or elsewhere for any of the aforesaid purposes.

(2) The Corporation shall before the first day of May in each financial year submit to the Minister for his approval a programme of capital works proposed to be undertaken by the Corporation during that financial year.

(3) In the exercise of its functions and powers the Corporation shall have regard to any directions by the Minister in respect of capital expenditure generally and shall not undertake capital expenditure in excess of twenty-five thousand pounds for any particular purpose without the consent of the Minister.

13. Short-wave stations—(1) The Corporation may establish and operate short-wave stations within New Zealand.

(2) All programmes broadcast from short-wave stations shall be approved by the Minister.

(3) Any such approval may be general in its nature or may relate to any particular programme or any particular class of programmes.

(4) The Corporation shall, if directed by the Minister and in accordance with the directions of the Minister, broadcast any programme or matter which the Minister requires to be broadcast.

(5) No warrant under Part III of this Act shall be issued in respect of a short-wave station.

14. Programmes may be provided by contractor—Any programmes broadcast by the Corporation may be provided by persons who, under contracts with the Corporation, have, subject to the terms and conditions of any such contract, the right to provide programmes or parts of programmes to be broadcast by the Corporation and the Corporation may enter into such contracts and make such arrangements as may be necessary for the purposes of this section.

15. Power to take land—(1) For the purposes of facilitating the acquisition of land for the purposes of this Act the Governor-General may, on the application of the Corporation and at its expense in all things, take under the Public Works Act 1928, as if for a public work within the meaning of that Act, any land, or any particular estate or interest in land (whether for the time being subsisting separately or not), or any easement over any land (whether for the time being subsisting or not).

(2) Notwithstanding anything to the contrary in the Public Works Act 1928, the effect of a Proclamation issued for the purposes of this section shall be to vest the land, estate, interest, or easement, as the case may be, in the Corporation instead of Her Majesty; and all proceedings subsequent to the issue of the Proclamation in respect of compensation, or otherwise for the purpose of complying with the said Act, shall be taken against the Corporation, which shall be deemed to be the respondent and shall be liable in respect of the taking to the same extent as Her Majesty or the Minister of Works would have been liable if the taking had been for the purposes of a Government work.

16. Director-General—(1) There shall from time to time be appointed a Director-General of Broadcasting, who shall be the chief executive officer of the Corporation.

(2) The Director-General shall be appointed by the Governor-General in Council, on the recommendation of the Corporation, to hold office for a term of five years. Any person appointed as Director-General may from time to time be reappointed.

(3) Notwithstanding the provisions of subsection (2) of this section, any person appointed as Director-General shall retire from office on attaining the age of sixty-five years and may be removed from office by the Governor-General in Council, on the recommendation of the Corporation, for disability, bankruptcy, neglect of duty, or misconduct.

(4) On the occurrence from any cause of a vacancy in the office of Director-General (whether by reason of death or resignation or otherwise), and in the case of his absence from duty (from whatever cause arising), the powers, duties, and functions of the Director-General may be exercised and performed by any person authorised in that behalf by the Minister.

(5) The fact that any person exercises or performs any power, duty, or function of the Director-General with the concurrence of the Minister shall be conclusive evidence of his authority to do so.

(6) All references to the Director of Broadcasting in any Act, regulation, order, or other enactment or in any agreement, deed, instrument, application, notice, or other document whatsoever shall, unless the context otherwise requires, be read as references to the Director-General.

17. Officers and employees—(1) The Corporation may from time to time appoint such officers and employees, including acting or temporary or casual officers and employees, as it thinks necessary for the efficient exercise of its functions and powers and may at any time remove any officer or employee from his office or employment.

(2) Officers and employees of the Corporation shall be paid such salaries and allowances (within scales fixed by the Corporation in agreement with the Public Service Commission) as the Corporation from time to time determines.

(3) Officers and employees of the Corporation shall be employed on terms and conditions of employment from time to time determined by the Corporation in agreement with the Public Service Commission.

(4) The Corporation shall out of its funds subsidise or contribute to the National Provident Fund or any other fund or scheme established with the approval of the Minister of Finance for the purpose of providing superannuation or retiring allowances for its officers and employees.

(5) All persons who immediately before the date of the commencement of this Act were employed in the broadcasting service and were contributors to the Government Superannua-

tion Fund shall, if employed by the Corporation at that date, be deemed, for the purposes of the Superannuation Act 1956, to have remained in the Government service and the provisions of that Act shall apply to any such person employed as aforesaid in all respects as if his service in the employment of the Corporation were Government service. For the purposes of the Superannuation Act 1956, the controlling authority in relation to any such person shall be the Corporation.

(6) Any person who immediately before the date of the commencement of this Act was an officer of the Public Service employed in the broadcasting service and who is employed by the Corporation at that date may, at any time within one year after his appointment as an officer or employee of the Corporation, elect to resume employment in the Public Service and, in any such case, notwithstanding the provisions of any enactment to the contrary, his employment in the Public Service shall be deemed to have continued without interruption:

Provided that this subsection shall not apply to any person whose employment by the Corporation is terminated for misconduct or neglect of duty:

Provided also that no person shall be entitled to receive any salary as a member of the Public Service in respect of any period during which he was employed by the Corporation.

(7) Until such time as its terms and conditions of employment are determined by the Corporation and notified to its officers and employees, those officers and employees who immediately before the date of the commencement of this Act were employed in the Public Service in the broadcasting service shall remain subject to the same terms and conditions of employment (including those applicable to scales of salaries and allowances) as applied to them immediately before that date.

(8) Nothing in the Industrial Conciliation and Arbitration Act 1954 shall apply to the Corporation or its employees.

(9) The Governor-General may, by regulations under this Act, provide for the settlement of disputes between the Corporation and its employees in respect of any matter relating to the terms and conditions of employment (including those applicable to scales of salaries and allowances) of those employees, and for that purpose may,—

(a) Constitute or appoint such body or bodies as may be necessary for the purpose of hearing and of making decisions or recommendations in respect of any such dispute:

- (b) Appoint or give recognition to such body or bodies as may be necessary for the purpose of representing any persons affected by any such dispute.

18. Delegation of powers of Corporation—(1) The Corporation may from time to time delegate to the Director-General such of its powers as the Corporation thinks fit, including the power of delegation conferred by this subsection.

(2) Every such delegation may be revoked at any time, and no such delegation shall prevent the exercise of any power by the Corporation.

(3) Any such delegation may be made subject to such conditions and restrictions (if any) as the Corporation thinks fit, and may be made either generally or in relation to any particular matter.

(4) In the event of the Director-General to whom any such delegation has been made ceasing to hold office, it shall continue to have effect as if made to the person for the time being holding office as Director-General or for the time being exercising the functions of the Director-General.

(5) The fact that the Director-General or any person lawfully acting for the Director-General exercises any power of the Corporation shall, in the absence of proof to the contrary, be sufficient evidence of his authority to do so.

Transfer of Rights and Obligations of Crown to Corporation

19. Transfer of property to Corporation—(1) All—

(a) Land;

(b) Interests in land; and

(c) Personal property, rights, or privileges—

vested in or held on behalf of the Crown and used or administered for the purposes of or in connection with any broadcasting service carried on by the Minister under the Broadcasting Act 1936 immediately before the commencement of this Act are, notwithstanding the provisions of the Public Works Act 1928, hereby vested in the Corporation subject to any leases, rights, easements, and interests subsisting in respect of the land or property at the date of the vesting.

(2) The District Land Registrar, on a written request of the Corporation and on payment of the appropriate fee, shall make such entries in his registers and on any outstanding documents of title and generally do all such things as may be necessary to give effect to the provisions of this section.

20. Transfer of contracts and liabilities in respect of broadcasting service—Except as otherwise provided by this Act, on the commencement of this Act, the following provisions shall apply:

- (a) All debts, liabilities, and obligations, whether present or contingent, incurred in the name or on behalf of the Crown in respect of any property, right, or privilege vested in the Corporation under section 19 of this Act shall become debts, liabilities, and obligations of the Corporation:
- (b) All money payable to the Crown in respect of any such property, right, or privilege shall become payable to the Corporation:
- (c) The benefit of every contract entered into by or on behalf of the Crown in respect of any such property, right, or privilege shall be deemed to be assigned to the Corporation:
- (d) All proceedings pending by or against the Crown in respect of any broadcasting service carried on by the Minister under the Broadcasting Act 1936 shall be carried on by or against the Corporation.

PART II

FINANCIAL PROVISIONS

21. Broadcasting Account—(1) For the purposes of this Act there shall be established at the Reserve Bank of New Zealand an account to be known as the Broadcasting Account which shall be the same account as that established under the same name under section 10 of the Broadcasting Act 1936.

(2) The Broadcasting Account shall be operated on only by cheque signed by or on behalf of the Director-General, and countersigned by an officer authorised in that behalf by the Corporation. For the purposes of this subsection the Corporation may from time to time authorise any officer of the Corporation to sign cheques on behalf of the Director-General or to countersign cheques.

(3) For the purposes of the Broadcasting Account there may be opened at the Reserve Bank or at any other bank such imprest or other subsidiary accounts as the Corporation may think necessary or desirable. Any such account shall be operated on by cheque signed by the Director-General or any officer of the Corporation authorised in that behalf by the Director-General.

22. Money payable into Broadcasting Account—In addition to the money in the Broadcasting Account at the commencement of this Act, there shall from time to time be paid into the Broadcasting Account—

- (a) All fees received pursuant to regulations under the Post Office Act 1959 in respect of receiving-station licences:
- (b) All money derived from the operation of any broadcasting station by the Corporation:
- (c) All fees received in respect of warrants issued by the Minister:
- (d) All other money derived from the operations of the Corporation under this Act or otherwise payable into the Broadcasting Account.

23. Money payable out of Broadcasting Account—There shall from time to time be paid out of the Broadcasting Account—

- (a) All money required to be expended for the purposes of the exercise of the functions and powers of the Corporation:
- (b) All money payable, in accordance with regulations under this Act, to persons operating private broadcasting stations:
- (c) All money payable to the Post Office Account, in accordance with regulations under this Act, in respect of the issue of receiving-station licences or in respect of other services provided by the Post Office:
- (d) All other money payable out of the Broadcasting Account pursuant to this Act or any other Act.

24. Borrowing powers—The Corporation may from time to time, with the consent of the Minister of Finance and on and subject to such terms and conditions as he thinks fit, borrow money by way of overdraft or otherwise and issue debentures or mortgage or charge any of its real or personal property.

25. Advances to Corporation—(1) The Minister of Finance may from time to time, on behalf of the Crown,—

- (a) Advance money to the Corporation; and
- (b) Give in respect of any advances made to the Corporation by any other person any guarantee, indemnity, or security,—

on and subject to such terms and conditions as that Minister thinks fit.

(2) All money required to be paid by the Minister of Finance under this section shall, without further appropriation than this section, be paid out of the Consolidated Fund or out of the National Development Loans Account. Where any payment under this section is made out of the National Development Loans Account the authority of the Minister of Finance to borrow money under section 11 of the New Zealand Loans Act 1953 shall be deemed to be extended as if the money so paid had been authorised to be transferred from the National Development Loans Account to another fund or account as mentioned in that section.

(3) The Minister of Finance may from time to time, on behalf of the Crown, enter into agreements with the Corporation for the purpose of giving full effect to the provisions of this section.

26. Investment of money—Any money belonging to the Corporation may from time to time be invested—

(a) In New Zealand Government securities:

(b) On deposit in any bank or banks approved by the Minister of Finance, or in the Post Office Savings Bank:

(c) In any manner, or in any securities, that may from time to time be authorised by the Minister of Finance.

27. Unauthorised expenditure—In any financial year the Corporation may expend for purposes not authorised by this or any other Act any sum or sums not amounting in the aggregate to more than five hundred pounds.

28. Annual report and accounts to be presented to Parliament—(1) As soon as may be reasonably practicable after the end of each financial year, the Corporation shall furnish to the Minister a report of its operations for that financial year, together with a copy of its audited balance sheet and profit and loss account and such other statements of account as may be necessary to show fully the financial position of the Corporation and the financial results of its operations during that year.

(2) A copy of the report and of such balance sheet, profit and loss account, and statements as aforesaid shall be laid before Parliament after their receipt by the Minister if Parliament is then sitting, and otherwise within twenty-eight days after Parliament reassembles.

29. Estimates of receipts and expenditure—(1) The Corporation shall, for each financial year, prepare an estimate, in a form approved by the Minister of Finance, of the amount of the expenditure for all purposes and the receipts of the Corporation.

(2) The estimate shall be forwarded in duplicate to the Minister of Broadcasting on or before the first day of May in the financial year to which it relates.

30. Audit of accounts—The accounts of the Corporation shall be audited by the Audit Office, which for that purpose shall have all such powers as it has under the Public Revenues Act 1953 in respect of public money and public stores and the audit of local authorities' accounts.

PART III

PRIVATE BROADCASTING STATIONS

31. Private broadcasting stations—(1) Before a person is granted a licence under the Post Office Act 1959 to establish and operate a private broadcasting station he shall obtain a warrant under this Part of this Act.

(2) Subject to the provisions of this Act, no person shall establish or operate a private broadcasting station otherwise than in conformity with the terms of a warrant issued by the Minister under this Act and for the time being in force.

(3) Any person who contrary to the provisions of this section operates a private broadcasting station commits an offence and shall be liable on summary conviction to a fine not exceeding five hundred pounds and (if the offence is a continuing one) to a further fine not exceeding twenty pounds for every day during which the offence has continued.

(4) If any company operates a broadcasting station contrary to the provisions of this section, every director and other person acting in the management of the company shall, in addition to any penalty to which the company may be liable, be liable on summary conviction to a fine not exceeding twenty pounds for every day on which the station is operated.

32. Applications for warrants—(1) The Corporation shall from time to time conduct surveys for the purpose of ascertaining the extent to which broadcasting services are available in any locality to which any such survey relates.

(2) If, after making such inquiries and examining such evidence as it thinks fit and after having regard to any additional broadcasting services it proposes to establish and to

any representation made by the Director-General of the Post Office, the Corporation is of the opinion that any locality in New Zealand is inadequately served by existing broadcasting services, it shall, by public notice, call for applications for warrants under this Act to establish and operate a broadcasting station in the locality to which the notice relates.

(3) Every notice under subsection (2) of this section shall specify the class or type of broadcasting station in respect of which applications are called and such other matters as the Director-General thinks fit or as may be prescribed by regulations under this Act.

(4) Every application for a warrant shall be in the prescribed form and shall be forwarded in the first instance to the Director-General who shall notify the Minister of the application and refer it to the Corporation. A copy of each application shall be forwarded by the Director-General to the Director-General of the Post Office.

(5) Applications for warrants shall be granted only by the Minister in accordance with this Act and regulations under this Act.

(6) No application for a warrant shall be considered unless the application has been called for under subsection (2) of this section.

33. Hearings by Corporation—(1) Where an application for a warrant has been referred to it, the Corporation shall fix a time and place for the hearing of an inquiry in respect of the application and shall give to the applicant, the Director-General, and all such other persons as, in the opinion of the Corporation, are likely to be affected at least seven days' notice of the time and place fixed for the hearing.

(2) At any such hearing the Corporation shall hear all evidence tendered and representations made which it deems relevant to the subject-matter of the application.

(3) Any such hearing may, in the discretion of the Corporation, be adjourned from time to time and from place to place.

(4) For the purpose of conducting any inquiry under this section, the Corporation shall be deemed to be a Commission of Inquiry under the Commissions of Inquiry Act 1908 and, subject to the provisions of this Act and of any regulations under this Act, all the provisions of that Act shall apply accordingly.

(5) The Corporation at the conclusion of the hearing shall recommend or refuse to recommend to the Minister that the application for a warrant be granted.

34. Matters to be considered before making recommendation—In considering any application for a warrant, the Corporation, before determining whether or not to recommend the grant of the application, shall have regard to—

- (a) The extent to which the proposed service is necessary or desirable in the public interest:
- (b) The needs of New Zealand or the locality or localities as a whole proposed to be served, in respect of broadcasting services:
- (c) The financial ability of the applicant to carry on the proposed service:
- (d) The likelihood of the applicant's carrying on the proposed service satisfactorily:
- (e) The broadcasting services of any kind already provided in respect of the localities to be served:
- (f) The hours during which the applicant proposes to broadcast programmes:
- (g) The extent of advertising matter which the applicant proposes to broadcast:
- (h) The proposed rates and charges to be made in respect of advertising programmes:
- (i) All evidence or representations received by it at the hearing:
- (j) Such other matters as may be prescribed by regulations in that behalf.

35. Classification of warrants—(1) Every warrant issued under this Act shall be either—

- (a) A television warrant—meaning thereby a warrant in relation to the operation of a television station; or
- (b) A sound radio warrant—meaning thereby a warrant in relation to the operation of a broadcasting station other than a television station.

(2) Every warrant shall specify whether or not advertising programmes may be broadcast from the broadcasting station to which the warrant relates.

36. Issue of warrants—(1) The Minister, after having regard to any recommendation of the Corporation in that respect may, in his discretion, issue or refuse to issue a warrant in respect of which an application has been made under this Act.

(2) The Minister shall not refuse to issue a warrant which the Corporation has recommended should be issued unless in his opinion it would be contrary to the public interest to issue the warrant.

(3) Every decision of the Minister under this section shall be final and conclusive.

37. Conditions of warrant—Every warrant issued by the Minister under this Act may prescribe—

- (a) The class of broadcasting station in respect of which the warrant is issued:
- (b) The locality in which the station is to be situated:
- (c) The power of the station:
- (d) The hours during which the station may operate:
- (e) Such other matters and conditions as may be prescribed by this Act or regulations thereunder or as the Minister thinks proper.

38. Duration of warrants—Every warrant shall, unless sooner revoked, expire on such day as may be prescribed in the warrant:

Provided that where application for the renewal of a warrant is duly made under this Act, the warrant shall, where the application for a renewal is not disposed of before the date of expiry of the warrant, continue in force until the application is disposed of unless the Minister otherwise directs.

39. Existing private broadcasting stations—(1) The licensee of any private broadcasting station operating at the commencement of this Act under a licence granted under the Post Office Act 1959 shall, without application under this Act, be deemed to be the holder of a warrant under this Act:

Provided that any such broadcasting station shall be subject in all respects to this Act and the warrant shall be deemed to be a sound radio warrant which does not authorise the broadcasting of advertising programmes.

(2) Except pursuant to a warrant issued by the Minister pursuant to a new application under this Act, no advertising programme shall be broadcast from any broadcasting station to which this section relates.

40. Transfer of warrants—(1) Except with the consent in writing of the Minister, the holder of a warrant issued in respect of a private broadcasting station shall not assign, sublet, transfer, or otherwise dispose of, or permit any other person to participate in, the benefit of his warrant.

(2) Except as provided by subsection (1) of this section, no person shall sell, transfer, or otherwise dispose of, or shall mortgage or charge the transmitting apparatus of any private broadcasting station, or any part thereof, or any interest in any such apparatus or part thereof.

(3) If the holder of a warrant issued in respect of a private broadcasting station acts in contravention of this section, he shall be deemed to have committed a breach of the conditions subject to which his warrant was issued.

41. Amendment or revocation of terms and conditions of warrants—The Minister during the currency of a warrant may, of his own motion or on the application of the holder of the warrant, amend or revoke any of the terms and conditions of the warrant or add any new terms and conditions which in his opinion are necessary in the public interest.

42. Renewal of warrants—(1) Every application for the renewal of a warrant shall be made to the Minister not less than twenty-eight days before the day on which the warrant expires:

Provided that where the Minister is satisfied that failure to make any such application within the specified period is due to justifiable mistake or other reasonable cause, he may accept an application made at any time before the expiration of the warrant.

(2) In granting any renewal of a warrant the Minister may either endorse the existing warrant or issue a new warrant, but any such warrant shall show that it is in renewal of a warrant.

(3) The renewal of a warrant shall take effect for the same period as the term of the warrant renewed, but any such renewal may be granted in advance to take effect as aforesaid and shall be subject to such terms and conditions as may be prescribed in the renewal.

43. Revocation and suspension of warrants—(1) The Minister may at any time notify the holder of a warrant that he proposes to revoke or suspend the warrant on the ground that the broadcasting station to which the warrant relates has not been carried on in conformity with the terms and conditions of the warrant.

(2) If, after having regard to any recommendation of the Corporation, the Minister is of the opinion that the broadcasting station has not been carried on in conformity with the warrant, he may revoke the warrant.

(3) Instead of revoking any warrant as aforesaid the Minister may suspend the warrant for such period as he thinks fit.

(4) Where, in the opinion of the Minister, the circumstances of the case do not justify the revocation or suspension of the warrant, he may alter to an earlier date the expiry date specified in the warrant.

44. Functions of Corporation with respect to certain applications—(1) Every application to the Minister for—

(a) The amendment of a warrant;

(b) The renewal of a warrant; or

(c) The transfer of a warrant,

and every notification by the Minister that he proposes to revoke or suspend a warrant, shall be referred by the Minister to the Corporation.

(2) The Corporation shall consider every such application and notification and, if it considers any such course necessary, shall hold an inquiry for the purpose of determining whether or not it should recommend to the Minister that the application be granted or the warrant be suspended or revoked, as the case may be.

(3) The Minister, after having regard to any recommendation of the Corporation in that respect, may, in his discretion, make such decision as he considers appropriate in the circumstances and any such decision shall be final and conclusive.

(4) In considering any matter under this section the Corporation shall have all the powers and authorities conferred on it by this Part of this Act in respect of applications for new warrants and the provisions of this Part, as far as they are applicable and with the necessary modifications, shall apply accordingly.

PART IV

MISCELLANEOUS PROVISIONS

45. Persons operating broadcasting stations to comply with Post Office Act 1959—Nothing in this Act shall be so construed as to relieve any person (including the Corporation) from any obligation to obtain and comply with a licence under the Post Office Act 1959 in respect of any broadcasting station or, except as provided by subsection (1) of section 31 hereof, to affect the provisions of that Act or any regulations thereunder with respect to broadcasting stations:

Provided that, subject to such conditions as may be prescribed in writing by the Postmaster-General, the Corporation shall be entitled, without application, to a licence under that

Act for any broadcasting station operated by the Minister immediately before the commencement of this Act and transferred thereunder to the Corporation.

46. Provisions as to advertising—(1) Advertising programmes may, in accordance with this Act, be broadcast from—

(a) Any commercial station established or operated by the Corporation:

(b) Any television station established or operated by the Corporation:

(c) Any private broadcasting station from which, in accordance with the warrant issued in respect of the station, advertising programmes may be broadcast.

(2) For every locality that is served by a commercial station the Corporation, so far as is practicable, shall provide an alternative service from at least one broadcasting station, other than a television station, that is not a commercial station.

(3) Except as otherwise provided by this section, no advertising programme shall be broadcast from any broadcasting station whether operated by the Corporation or by any other person.

47. Contracts of Corporation—(1) Any contract which, if made between private persons, must be by deed shall, if made by the Corporation, be in writing under the common seal of the Corporation.

(2) Any contract which, if made between private persons, must be signed by the parties to be charged therewith shall, if made by the Corporation, be either under the common seal of the Corporation or signed by two members of the Corporation on behalf of and by direction of the Corporation.

(3) Any contract which, if made between private persons, may be made orally, may be similarly made by or on behalf of the Corporation by any member acting by direction of the Corporation or by any other person pursuant to the authority of the Corporation.

(4) The Corporation may, by writing under its common seal, empower any person, either generally or in respect of any specified matter, to execute on its behalf in any place in or beyond New Zealand, instruments under or for the purposes of this Act. An instrument executed by such an attorney on behalf of the Corporation shall bind the Corporation and if executed as a deed shall have the same effect as if it were under the common seal of the Corporation.

(5) Notwithstanding anything to the contrary in the foregoing provisions of this section, no contract made by or on behalf of the Corporation shall be invalid by reason only that it was not made in manner provided by this section, if it was made pursuant to a resolution of the Corporation or to give effect to a resolution of the Corporation.

48. *Taxation*—(1) The Corporation shall be liable for the payment of land tax and income tax.

(2) Subparagraph (iii) of paragraph (b) of subsection (1) of section 86 of the Land and Income Tax Act 1954 is hereby repealed.

(3) All tax payable in respect of income of the New Zealand Broadcasting Service derived before the date of the commencement of this Act shall be assessed in all respects as if this section had not been passed and for the purposes of the Land and Income Tax Act 1954 the Corporation shall be deemed to be the agent of the New Zealand Broadcasting Service and shall be liable for all tax so assessed and not paid by the New Zealand Broadcasting Service.

49. *Corporation may insure members*—The Corporation may from time to time enter into contracts of insurance insuring members of the Corporation against loss from personal accident arising out of and in the course of the exercise of their powers and duties as members, and may pay the premiums payable in respect of any such contracts.

50. *No other corporation to be formed with similar name*—No company or other body shall be incorporated or registered under any Act or otherwise with a name that is identical with the name of the Corporation or that in the opinion of the Registrar of Companies so resembles that name as to be calculated to deceive.

51. *Remuneration and travelling expenses*—(1) The Corporation is hereby declared to be a statutory Board within the meaning of the Fees and Travelling Allowances Act 1951.

(2) There shall be paid to the members of the Corporation, and there may be paid to the members of any committee appointed by the Corporation, remuneration by way of fees, salary, or allowances and travelling allowances and expenses in accordance with the Fees and Travelling Allowances Act 1951, and the provisions of that Act shall apply accordingly.

(3) Any money payable under this section shall be paid from the Consolidated Fund out of money appropriated by Parliament for the purpose:

Provided that any money paid from the Consolidated Fund as aforesaid shall be repaid to that Fund from the Broadcasting Account.

52. Members of Corporation not personally liable—No member of the Corporation shall be personally liable for any act or default done or made by the Corporation or by any member thereof in good faith in the course of the operations of the Corporation.

53. Government Departments may provide services for Corporation—The Crown, acting through any Government Department, may from time to time, at the request of the Corporation, enter into contracts or arrangements for the execution or provision by the Department for the Corporation of any work or service, or for the supply to the Corporation of any goods, stores, or equipment, on and subject to such terms and conditions as may be agreed upon.

54. Regulations—(1) The Governor-General may from time to time, by Order in Council, make regulations for all or any of the following purposes:

- (a) Prescribing the procedures to be followed in respect of applications and the hearing of applications for warrants for private broadcasting stations under this Act:
- (b) Providing for the control or supervision by the Corporation of programmes broadcast from private broadcasting stations or provided by persons other than the Corporation:
- (c) Requiring bodies corporate or organisations which are applicants for warrants to disclose such information relating to their control or membership as may be prescribed or as may be required by the Minister:
- (d) Prohibiting, regulating, or controlling the ownership or control of private broadcasting stations by persons or classes of persons prescribed in the regulations:
- (e) Regulating or controlling the transfer of shares in companies which hold warrants and the transfer of interests in private broadcasting stations:
- (f) Prescribing forms of applications and other forms required under this Act:

- (g) Prescribing conditions which may be prescribed in warrants:
 - (h) Prescribing the manner in which registers of warrants under this Act shall be kept and the form of any such registers:
 - (i) Prescribing fees payable in respect of applications, hearings, and warrants under this Act:
 - (j) Prescribing fines, not exceeding two hundred pounds for the breach of any such regulations or for failure to comply with any condition, duty, or obligation lawfully imposed in any manner by or under any such regulation or (in cases where no specific penalty is imposed by this Act) by this Act:
 - (k) Generally providing for such matters as are contemplated by or necessary for giving full effect to the provisions of this Act and for the administration thereof.
- (2) Regulations made under this section shall be laid before Parliament.

55. Repeals—The enactments specified in the Schedule hereto are hereby repealed.

Section 55

SCHEDULE

ENACTMENTS REPEALED

- 1936, No. 15—The Broadcasting Act 1936. (1957 Reprint, Vol. 1, p. 681.)
- 1937, No. 11—The Broadcasting Amendment Act 1937. (1957 Reprint, Vol. 1, p. 691.)
- 1943, No. 20—The Statutes Amendment Act 1943: Section 4. (1957 Reprint, Vol. 1, p. 692.)
- 1946, No. 42—The Public Service Amendment Act 1946: Paragraph (f) of section 22 and so much of the Schedule as relates to the Broadcasting Act 1936. (1957 Reprint, Vol. 12, pp. 324, 330.)
- 1947, No. 60—The Statutes Amendment Act 1947: Section 8. (1957 Reprint, Vol. 1, pp. 683, 692.)
- 1948, No. 35—The Finance Act 1948: So much of the Schedule as relates to the Broadcasting Amendment Act 1937. (1957 Reprint, Vol. 5, p. 1950.)
- 1953, No. 73—The Public Revenues Act 1953: Paragraph (a) of section 72. (1957 Reprint, Vol. 12, p. 291.)
- 1959, No. 5—The Broadcasting Amendment Act 1959.
- 1960, No. 34—The Broadcasting Amendment Act 1960.

This Act is administered in the New Zealand Broadcasting Corporation.