**ORGANISED LABOUR PRESENTATION (SABC)**

Communication Workers Union (CWU) remain committed in engaging all key stakeholders on a turnaround strategy that will take the SABC forward. We believe that the Public broadcaster stands a chance of being one of the lucrative assets of the public; through content, finances and administration. The union equally acknowledges that there are historical challenges that need to be corrected going forward. As a union, we confirm to have met on the 11th of June 2020 with the SABC executive management and the Chairperson of the Board. At the meeting, we asked about the progress of the skills audit process, precisely to deal broadly with the turnaround strategy. The Public Broadcaster management informed CWU that the process is not yet concluded and as a result, retrenchments or any other matter related to human capital was never discussed. Furthermore, the turnaround strategy of the public broadcaster cannot be concluded without incorporating all role players in the industry.

# Turnaround Strategy

We think it is critical that we deal with the turnaround strategy looking into these priorities as pillars of the turnaround strategy:

* Digital Migration
* Online revenue stream
* Public Broadcaster Funding Model
* Unfunded (broadcasting) mandate
* Stringent regulations on the broadcaster

# On Digital Migration

With the COVID-19 pandemic, it presents a new opportunity for us to fast track the process of the digital migration. Our view is that digital migration should be an integral part of the turnaround strategy. This includes establishment of new channels for both radio, television and incorporating a partnership with community based broadcasters. This may as well mean that there is a need to expand on human capital in order to broaden the broadcasting scope, \*re-skilling and upskilling.”

# Online Revenue Stream

The reports are indicating that close to 70% of advertisers (trends) are now moving to the online content and lesser interest on conventional broadcaster. The SABC must be commended to have swiftly expanded on the online content broadcasting. The weaknesses however, is that the Public Broadcaster has not been able to accumulate revenue on these platforms.

# Funding Model

We look into this area inclusive of the “online revenue stream,” and we then expand to the question of the “Over the top services” (OTT) i.e. Netflix, Facebook and others. These have to be regulated and should pay the broadcasting levy as part of the funding model of the SABC. To further empower the public broadcaster not to entirely rely on the private sector for funding (advertising), the government must contribute to the broadcasting grant. The TV licensing has been an unworkable mechanism.

# Unfunded (Broadcasting) Mandate

This is another opportunity missed, the unfunded mandate includes but not limited to announcements by the government or the President, funerals of public figures, educational, health and others. The SABC is crying foul that this area is crippling the Public Broadcaster financially, however on the contrary, these are amongst the most watched programs. We expect the marketing strategy to expose these programs to investors, the indications are that the SABC does not value this opportunity.

# The Stringent Regulations

The conventional broadcasters are highly regulated including the private sector, however, the OTT’s are not regulated.

We need to engage extensively on the local content on how DTI can expand its funding on the local content production. We need to accelerate the implementation of Digital Migration.

# Advertising Score Cards

The private sector is not innocent in the SABC woes, a probe must be done on how the advertising slots are paid. Out of the top 10 radio stations in the country, SABC occupies 8 radio station spots with Ukhozi FM boasting with over 7 million listenership and Umhlobo Wenene with over 5 million listenership: (stats by BRC/ RAM – March 2019 to March 2020)

\*Radio Audience Measurement (RAM)

\*Broadcasting Research Council (BRC)

|  |  |
| --- | --- |
| **Rank** | **Radio Station** |
| **1** | **Ukhozi FM** |
| **2** | **Umhlobo Wenene FM** |
| **3** | **Metro FM** |
| **4** | **Lesedi FM** |
| **5** | **Thobela FM** |
| **6** | **Motsweding FM** |
| **7** | **RSG FM** |
| **8** | **Munghana Lonene FM** |
| **9** | **Gagasi FM** |
| **10** | **Jacaranda FM** |

However, we need to study the amount paid for the same slots on a previously white listenership (private-owned) radio station and the pre-dominated indigenous language radio station that has millions of listeners compared to a few thousands, you will realise that the previously disadvantaged are still marginalised. These are imbalances of the past that are still yet to be addressed. Below are the 2018 stats by RAM

|  |  |
| --- | --- |
| **Station** | **Time Spent Listening** |
| **Phalaphala FM** | **3h42** |
| **Thobela FM** | **3h24** |
| **Munghana Lonene** | **3h18** |
| **iKwekwezi FM** | **3h12** |
| **Ukhozi FM** | **3h12** |
| **Umhlobo Wenene** | **3h06** |
| **Lesedi FM** | **3h00** |

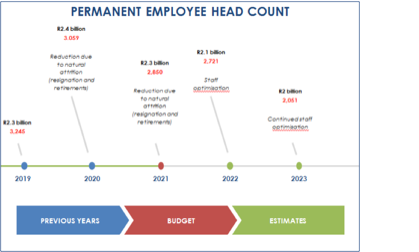
**The Public Broadcaster TV News Channe**l – 404 has leaped to the top of the pyramid in so far as news channels are concerned. This is a clear demonstration of the talent that the SABC has which now is endangered due to retrenchments. **Retrenchments are pre-matured**

Without a fully flashed skills audit - retrenchments are pre-matured and are not responding to the short and long-term challenges faced by the broadcaster, as pointed out in our 5 pillars. We therefore insist that the process of the skills audit be concluded, and the outcomes will guide us on a proper restructuring thus including re-skilling and redeployment to new avenues such as new channels and online streaming.

We are also in a position of evidence where SABC attempt to manipulate the skills audit process to justify their plan of retrenchments.

We have a history at the SABC of engaging on premature retrenchments. In 1997, the SABC embarked on retrenchments and later on they had to re-employ the same workers that were retrenched at a high salary scale.

On page 45 of the SABC Corporate Plan, demonstrates how shortsighted SABC is on retrenchments:



# Other issues to be considered

* The developments at SABC suggest that there is concerted efforts to commercialize the Public Broadcaster. With the influx of the new staff employed in the last 8 months (newly employed), then simultaneously move for retrenchments.
* The expenditure on the outsource (service providers) must be cut and utilize internal resources. The Public Broadcaster has employed highly qualified and are paying the Employee Relations Officers (ER) handsomely, however the work of their ER is done by law firms.
* The bailout conditions include investing on content, however; SABC has not demonstrated on how it has opened up the production line with the current independent producers. For the SABC to be contracted to the same independent producer’s, limits competition and weakens the content.
* The SABC made serious allegations about staff members sabotaging the State, when a wrong clip of the President of the republic was played. To date, the management of SABC failed to report back on the matter to the public and parliament. Instead, they indicated in their last appearance at the Portfolio Committee that the matter is sub judice, however; the truth is they have already conducted internal disciplinary hearings. (1) The senior person – Executive Producer (not guilty) (2) Bulletin Editor (final written warning) (3) Producer (dismissed). This demonstrates inconsistency and a poor worker was used as a sacrificed lamb.

# Way – forward

Organised labour remains committed in turning things around at the SABC, and to take the public broadcaster forward. We calling for the SABC to abandon its premature call to retrench workers and engage labour in good faith for amicable outcomes, with a view to grow revenue and build a stronger public broadcaster. End

CWU General Secretary obo

Communication Workers Union