

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates May 2017

Communications Portfolio

Australian Broadcasting Corporation

Question No: 136

Australian Broadcasting Corporation

Hansard Ref: Written, 07/06/2017

Topic: ABC Efficiency

Senator Urquhart, Anne asked:

1. What steps is the ABC taking to ensure efficiency in the implementation of its transformational program?
2. How are recent staffing changes that the ABC making the ABC more efficient in terms of cost-cutting and skills-retention?

Answer:

1. As a public broadcaster the ABC must work within a fixed funding envelope. The ABC Act requires that the Corporation be both efficient and effective in discharging its responsibilities. The current *Investing in Audiences* restructuring process has the involvement of a discrete transformation unit, which comprises a number of experienced ABC employees who are assisting the Corporation to move through this process in a targeted, focussed and efficient way.
2. A key feature of the ABC's *Investing in Audiences* transformation strategy is the creation of a content fund. This fund has \$20 million available for initiatives over the 2016-17 financial year and will build to \$50 million a year.

Redundancies, while regrettable, are required to pivot the ABC towards its future focussed strategy. In March 2017 the ABC announced that 150 to 200 positions would be likely made redundant by mid-2017. These positions primarily comprise senior and middle management. The ABC is streamlining its structure and reducing layers of management and duplication. Fewer layers of management means less decision-making layers and processes, therefore a more nimble organisation that can more readily adapt to continuing changes in the media industry and can better respond to the pace of changing audience needs.

It is intended that all funds saved as a result of the proposed redundancies will be reinvested into content-making for the benefit of our audiences. To this end, the ABC has announced an initial investment of \$10 million from the fund towards ABC Regional. As a result, ABC Regional has commenced the recruitment of 33 new content makers across 19 regions, with a view to ultimately recruiting 80 new content positions from an investment that will build to \$15 million annually.