

**Senate Standing Committee on Environment and Communications**  
**Answers to Senate Estimates Questions on Notice**  
**Supplementary Budget Estimates Hearings November 2014**  
**Communications Portfolio**  
**Australian Broadcasting Corporation**

**Question No: 568**

**Program No. Australian Broadcasting Corporation**

**Hansard Ref: In writing**

**Topic: Efficiency dividend**

**Senator McGrath asked:**

1. Has the ABC ever been subjected to an efficiency dividend in the past?
  - a. If so:
    - i. Under which Minister(s)?
    - ii. Under which Government(s)?
    - iii. At what rate(s)?
    - iv. For which year(s)?
2. Can the ABC confirm that the last time it was subjected to an efficiency dividend by the Commonwealth Government was in the 1996-97 financial year?
3. Can the ABC confirm that it has been fully exempt from the efficiency dividends applied by the Commonwealth Government since the 1997-98 financial year?

**Answer:**

1. The 2014 Budget, delivered a one per cent efficiency reduction over five years. While not classified as an “efficiency dividend”, this cut will impact the ABC across a range of activities that include back office and content areas. In addition to mandated efficiency initiatives, the ABC constantly reviews its operations in order to deliver the best and most efficient return to Australian audiences. Over the past 5 years alone, the ABC has found over \$40 million per annum in internal efficiencies which have been used to fund ABC News 24, iview and a host of other digital services.
2. Yes. In 1996-97, the Howard Coalition Government imposed a 2% efficiency dividend on the ABC.
3. The ABC was exempt from the efficiency dividends applied by the Commonwealth Government since the 1997-98 financial year. The rationale for this was that the triennium funding cycle allowed for regular periodic reviews of the national broadcaster’s funding allocations and adequate opportunities to determine efficiencies arose during the period of triennial funding review.