



Efficiency review—ABC and SBS—Terms of Reference

Background

The ABC and SBS are vital public news and cultural institutions that strengthen media diversity and represent a major Commonwealth contribution to civic journalism.

In the fast-evolving world of media organisations, it is important to support the public broadcasters to be the best possible stewards of taxpayer dollars in undertaking their important work for the community.

This review will assist the public broadcasters as they approach the next funding triennium through which more than \$3.9 billion will be provided from July 2019.

This significant financial contribution by the community to the public broadcasters reflects the importance that Australians place on the role of the ABC and SBS in shaping Australia's sense of national identity and informing, entertaining and reflecting the cultural diversity of the community.

The Australian Parliament has ensured that the ABC and SBS enjoy operational and editorial independence, and are responsible for meeting a broad range of requirements under their respective Charters, establishing Acts and other Acts. This legislated independence is the foundation of public broadcasting.

It is important that from time to time all Commonwealth agencies, including the public broadcasters, participate in work that provides advice to government, and respective Boards, on areas where efficiency can be enhanced in the community interest. This was the context of the 2014 ABC and SBS Efficiency Study (the Lewis Review).

The current review will build on the Lewis Review, and is timely given the rapid pace of change in the media sector.

Scope

Mr Peter Tonagh and Mr Richard Bean will conduct a review, assisted by the Department of Communications and the Arts and in cooperation with the ABC and SBS, to examine the efficiency of the operations of the ABC and SBS and provide recommendations on areas where greater efficiencies could be achieved. The Department will engage specialist expertise and advice as required.

The review will examine the current operations of the ABC and SBS, having regard to the findings of the Lewis Review, to make recommendations on areas where greater efficiencies may be achieved. This includes investigating whether greater co-operation, collaboration and sharing of resources by the ABC and SBS would improve efficiency, and the benefits, costs and savings of doing so. It will also identify implementation options to assist the national broadcasters to operationalise the findings of this Review, including to clarify implementation costs.

The Government will not merge or otherwise change the ownership arrangements of the ABC and SBS. Efficiency options will be consistent with ABC and SBS continuing as distinct corporate entities in public hands and under separate legislation.

In response to sector-wide technological developments the review will also explore opportunities for greater efficiency through innovation.



Out of scope

The review will not consider changes to the ABC and SBS Charters. Consistent with the Government's long standing position, the review will also not consider:

- Editorial policies of the national broadcasters;
- Allowing advertising on the ABC;
- Quality of programs/content delivered by the broadcasters;
- Charging for digital services;
- Privatisation of the ABC or SBS; nor
- Merger of ABC and SBS.

Timing

The review will be completed and a report provided to the Minister in October 2018.