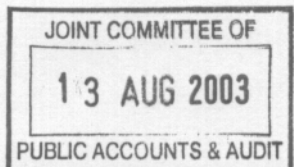


EXECUTIVE MINUTE



**On
JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT
REPORT NO 393**

Corporate Governance in the Australian Broadcasting Corporation

General Comments

The Board and management of the Australian Broadcasting Corporation (ABC) remain committed to the implementation of all 14 recommendations of ANAO Performance Audit No 40 of 2001-02. Substantial progress has been made towards full implementation although resource constraints affect the rate of progress in several cases.

The Managing Director convenes an ANAO Implementation Steering Committee on which ABC Director, Mrs Leith Bouilly, directly represents the Board. The Steering Committee meets quarterly to monitor progress and discuss in detail, management reports to the Board.

The ABC is therefore pleased to have this opportunity to provide a further progress report to the Parliament, through the Joint Committee (JCPAA). Corporation representatives appeared before a public hearing of the JCPAA on 12 August 2002. Preliminary information on the ANAO implementation process appeared in the ABC Annual Report 2001-02 and, more recently, the Corporation has responded to questions in the Estimates process.

The forthcoming ABC Annual Report 2002-03 will include a detailed progress report as at 30 June 2003.

This Executive Minute is in two parts:

1. Response to the three JCPAA recommendations
2. Update on the ABC's progress in implementing each of the 14 ANAO recommendations.

There is some overlap because the three recommendations of the JCPAA also broadly relate to a number of the 14 ANAO recommendations:

- ❑ JCPAA Recommendation 1, paragraph 2.17 relates to ANAO recommendations 9 and 14
- ❑ JCPAA Recommendation 2, paragraph 2.18 relates to ANAO recommendations 1, 2, 4, 11 and 12

- JCPAA Recommendation 3, paragraph 2.31 relates to ANAO recommendations 2, 5, 8, 9, 12 and 13.

Response to the JCPAA Recommendations

Recommendation 1, Paragraph 2.17

The committee recommends that the Australian Broadcasting Commission (sic) develop and implement a process for measuring performance data in urban, regional and rural Australia which provides timely and effective information in relation to its fulfilment of Charter obligations.

Supported.

The ABC utilises a broad range of performance data to measure its performance against Charter obligations. It continues to strive for improvement, including with reference to ANAO recommendations 9 and 14.

Performance information derives from:

- Quantitative and qualitative audience research conducted nationally and/or in specific metropolitan, regional and rural areas
- Direct interaction between ABC media outlets and their communities
- Quality assurance processes designed to ensure that ABC employees comply with required programming standards, administrative practices and codes of conduct.

In relation to JCPAA Recommendation 1: ABC services on Television, Radio and New Media offer programs and content of 'wide appeal and specialised' interest, as required by the Charter. These are reflected in the Objectives and Strategies of the ABC Corporate Plan 2001-04.

Objective One, *Relevance and Appeal*, addresses the Charter requirement for 'wide appeal' – "to build and retain audience share and reach through multi-platform programming and content that is appreciated by a broad range of communities of interest and need". Performance is measured through industry-wide surveys of audience share of viewing/listening at a given time, the size or percentage of the total audience reached at some time in a given week and qualitative research. The ABC Board receives a monthly report on audience research findings and performance trends.

Objective Two, *Distinctiveness*, addresses the requirement to provide programs of 'specialised interest' – to "enable audiences to be informed, educated and engaged with the challenges of contemporary life and with one another, through distinctive information, cultural and children's programming and content". Performance is measured against a broad programming strategy, including mix of program genre, and the ABC's distinctive spread and presence of activities throughout Australia and internationally.

The ABC Board receives twice-yearly performance reports against these (and other) Corporate Plan objectives. Later this year, the ABC is scheduled to complete a

Corporate Plan update for the 2003-06 triennium, which will reflect further improvements in the articulation of measurable objectives and strategies.

Audience Research

Audience research data is readily obtainable from metropolitan media markets. ABC Television, for example, receives daily audience reports from the OzTam survey. But, as the ANAO noted, access to surveys of regional and rural audiences is more limited. The ABC participates in scheduled regional and rural radio and television ratings surveys with other broadcasters. But the cost of research imposes a limitation on the amount of research the ABC can undertake alone. It has nonetheless worked to increase the range and frequency of regional research.

ABC Local Radio is committed to conducting research in all major regional centres over time. Since the beginning of 2002, for example, either ratings surveys or focus group research has taken place in about two-thirds of the ABC's major regional broadcasting locations around Australia. The ABC selected locations for focus group research in areas where Nielsen ratings surveys were not scheduled.

Feedback from focus groups conducted last year resulted in program changes, in particular to the breakfast shifts of regional radio stations around the country. These included an increased focus on local information, less music and refinement of the music selection.

The tables below outline ABC research in regional and rural areas undertaken between January 2002 and July 2003. They include ratings surveys for radio and television services as well as qualitative research commissioned by the ABC.

**ABC TV - Radio - Online: Audience research in Regional & Rural Australia
January 2002 - July 2003**

Radio - Regional & Rural Surveys

	Location	Dates
Radio Ratings Surveys in Regional Areas:	East Gippsland	11-24 Aug 2002
	Colac	18-31 Aug & 22-28 Sep 2002
	Horsham	18-31 Aug & 22-28 Sep 2002
	Swan Hill	11-24 Aug & 22-28 Sep 2002
	Wollongong	3 Mar-23 Mar 2002 23 Mar-12 Apr 2003
	Dubbo	17-30 Nov 2002
	Hamilton	25 May-7 June 2003
	Warrnambool	25 May-7 June 2003
	Albury	4 May-28 June 2003
	Cairns	4 May-28 June 2003
	Townsville	4 May-28 June 2003
	Mackay	4 May-28 June 2003
Project Specific Research:		
Classic FM – Qualitative Research	Dubbo	August 2002
Triple J – Qualitative Research	Albury/Wodonga	May/June 2002
ABC Local Radio - Qualitative Research	Wodonga, Bendigo, Mt. Isa, Cairns, Mackay, Tamworth, Lismore, Geraldton, Bunbury, Renmark and Alice Springs	May/June 2002
ABC Local Radio - Qualitative & Quantitative Research	Ballarat	May/June 2003
ABC Local Radio - Qualitative & Quantitative Research	Gold Coast & North Coast NSW	June /July 2003

Television - Regional & Rural Research

	Location	Dates
Regional TAM: Daily ratings available for the following aggregated TV market & Tasmania:	Queensland	Townsville, Cairns, Rockhampton, Mackay and Maryborough Daily
	Northern NSW	Newcastle, Tamworth/Taree and Northern Rivers (Coffs Harbour/Lismore) Daily
	Southern NSW	Canberra, Wollongong, and Orange/Dubbo/Wagga Daily
	Victoria	Ballarat, Bendigo, Albury, Shepparton, Gippsland Daily
	All Tasmania	Southern Tasmania and Northern Tasmania Daily
	Satellite TV Survey 1, 2002	Parts of rural NSW, Vic, Qld, SA & NT

Breakdown for Satellite TV survey areas:	http://www.acnielsen.com.au/en/pdf/tv/2001_TV_SurvivalKit_dairy.pdf
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Regional TV surveys	Western Australia Survey	10-23 March 02
Regional TV surveys	Riverland/Mt. Gambier Survey	11-24 Aug 02
Regional TV surveys	Western Australia Survey	11-24 Aug 02
Regional TV surveys	Pt Pirie/Broken Hill Survey	18-31 Aug 02

Project related research:

Local TV News – Qualitative & Quantitative Research	Northern & Far North Queensland	Jan/Feb 2002
TV – AFL – Quantitative Research	Country and Regional NSW, Queensland and the ACT.	July 2002

New Media – Regional & Rural Research

	<i>Location</i>	<i>Dates</i>
Online surveys:	Austar subscribers survey on interactive television	Various 2002

Direct Interaction with Audiences

The ABC receives other useful information through direct interaction with audiences, especially in relation to radio and online media services. Recent examples include:

- *The Backyard*, for example, is an Internet-based service that provides a local/regional community site associated with each of the ABC's Local Radio stations across metropolitan and regional Australia. Thirty staff, including 23 in regional centres, are continuing to develop what is arguably the most distinctive and far-reaching online service for local communities in Australia. It is a source of immediate and locally relevant communication with ABC audiences. Nationally, *Backyard* sites attracted more than 30 million page accesses during 2002/03. Usage of *The Backyard* has increased by 175% since December 2001. More than 45% of usage occurred in regional or rural areas (ie outside the state/territory capital cities).
- ABC Local Radio has introduced a 'Listeners Club' in parts of NSW and the ACT, not only as a further point of connection with audiences but also as a mechanism for attracting structured feedback about local and regional radio services. It is planned to extend the Listeners Club nationally
- Corporately, the ABC organises community events around Australia, such as bushfire support concerts in Canberra and Myrtleford earlier this year, outside broadcasts and participation in agricultural shows. It recently acquired an exhibition trailer that tours the nation to provide a platform for ABC exhibits and personalities involved with public events.

Quality Assurance processes

Since the tabling of the ANAO report on ABC corporate governance, the Corporation has also undertaken work relevant both to JCPAA Recommendation 1 and to associated ANAO Recommendations 9 and 14.

In relation to ANAO Recommendation 9, the ABC has improved the use of survey and analysis in reporting to the Board on adherence of news and information programs to Charter requirements of independence, accuracy and impartiality.

Specifically the Corporation:

□ ***Newspoll Community Appreciation Survey***

Reintroduced an annual *Newspoll* community survey to measure community appreciation of the ABC in both metropolitan and regional centres. In 2002, the most recent available survey findings, 91% of respondents believed the ABC provided a valuable service to the community.

Among the Charter requirements included in the survey is that news and information programs should be independent and impartial. Respondents are questioned as to whether key news and information programs are 'balanced' and 'even-handed', commonly understood terms that are indicators of independence and impartiality. It should be noted that 'accuracy' is not usefully measured on the basis of audience perception. It is more appropriately measured through the identification of demonstrable inaccuracies.

Newspoll also asks respondents whether the ABC does a good or poor job in relation to a number of other Charter obligations: broadcasting programs of wide appeal and specialised interest; being innovative; encouraging and promoting Australian arts, broadcasting programs of an educational nature; reflecting the cultural diversity of the Australian community; being distinctively Australian and contributing to national identity; and being efficient and well managed.

□ ***ABC Editorial Policies***

Completed a major review of *ABC Editorial Policies*, including the *ABC Code of Practice*, which is lodged with the Australian Broadcasting Authority (ABA). The *Editorial Policies* incorporate a comprehensive range of policies and guidelines for journalists and program makers. The Board will receive twice yearly reports on the operations of *Editorial Policies* to monitor their effectiveness and identify matters that may require updating or revision.

□ ***Governance Reports***

Introduced monthly Governance Reports to the Board in which individual Executive Directors affirm that their Divisions have adhered to all governance requirements (including legislative obligations) and/or identify breaches and issues of concern. In the case of Executive Directors in charge of media output or program Divisions, they are required specifically to address adherence to Editorial Policies, including matters of independence, accuracy and impartiality.

- ***Complaints Management***
 Introduced enhanced complaint handling procedures. Since August 2002, all serious complaints received by the ABC have been referred to the Audience and Consumer Affairs unit of ABC Corporate Affairs. These include matters related to factual inaccuracy, lack of balance, bias or inappropriate content. Audience and Consumer Affairs is independent of ABC program departments and investigates all written complaints in relation to alleged breaches of ABC Editorial Policies, Code of Practice or the ABC Charter.
- ***Complaints Review Executive***
 Further strengthened the complaints management process by appointing a part-time Complaints Review Executive (CRE) to provide an additional level of review for complainants. The CRE has broad scope to independently review the broadcast, the manner in which the complaint was originally dealt with by Audience and Consumer Affairs, and to determine whether the ABC acted properly. The CRE operates independently of both the Audience and Consumer Affairs unit and program makers; and all CRE findings are reported to the Board. This additional tier of internal review does not preclude complainants from seeking external review via the ABC's Independent Complaints Review Panel (ICRP) or the Australian Broadcasting Authority (ABA).
- ***Public Disclosure***
 Publication of quarterly summaries of audience contacts and a detailed account of all upheld complaints on the ABC's Internet site.
- ***Better Practice Risk Management***
 Scored well above the average of 115 public and private sector participants in the 2002 Comcare Risk Management Benchmarking Survey. The ABC scored Level 3 ('Advanced') against all 10 Key Performance Indicators. This denoted: "an organisation that is continuously improving their risk management systems and processes".

Together these constitute a comprehensive process for measuring a range of performance data – size and share of audiences, community appreciation, audience contacts and complaints management – in relation to urban, regional and rural Australia. They all serve to provide timely and effective information about the fulfilment of the ABC's Charter obligations.

It should also be noted that the Board and management of the ABC remain committed to a process of continuous improvement within the scope of available funding and resources.

Recommendation 2, Paragraph 2.18

The committee recommends that the Australian Broadcasting Commission (sic), as a matter of priority, develop and implement a process for using performance data to inform Corporate planning.

Supported

The Corporation already uses performance data to inform corporate planning. However it acknowledges the need to continue to improve the planning process. The structure and approach of the forthcoming ABC Corporate Plan 2003-06 will enable such improvement to build on the work of the 2001-04 Plan (which the ANAO found to be "a significant improvement" in which the "ABC's strategic priorities are clearly more thoroughly articulated ... than they were in the past" (ANAO page 69).

Preparation for the new Corporate Plan includes: reference to performance information relating to the 2001-04 period in setting new targets for 2003-06; and a review of key result areas to ensure they adequately reflect the requirements of the ABC Act.

The ABC Board will consider the new Corporate Plan for final approval by October or December 2003.

Recommendation 3, Paragraph 2.31

The Committee recommends that the Australian Broadcasting Commission (sic) specifically report on its performance against Charter obligations in its annual report to Parliament.

Supported

The ABC's Annual Report 2002-03, currently in preparation, will demonstrate explicitly the links between legislative obligations, the Corporate Plan and related performance information.

ABC Progress of Implementation of ANAO Recommendations

Outlined below is implementation progress on each of the 14 ANAO recommendations.

RECOMMENDATION 1 - Corporate Plan

The ANAO recommends that the ABC's next Corporate Plan:

- (a) address the matter of the strategies and policies that the Corporation will follow to ensure the Board fulfils its duties under s8 as required by the ABC Act; and
- (b) include verifiable efficiency and other targets of the expected performance to be achieved during the life of the Plan.

Part (a) **ON TRACK** - Will be addressed in the 2003-06 Corporate Plan.

Part (b) **ON TRACK** - The Board adopted a streamlined set of Corporate Indicators in May 2002 for use in twice yearly performance reports. Since then further work has gone into the development of qualitative performance criteria. These, along with more detailed Divisional Key Performance indicators that management first reported against in April 2002, will help inform the setting of targets in the Corporate Plan.

RECOMMENDATION 2 - Alignment of Corporate Plan and PBS

The ANAO recommends that, in order to streamline the planning process and improve the information available to Parliament when reviewing the appropriation proposed for the ABC, future PBSs align more closely with the ABC's Corporate Plan.

ACHIEVED - The 2001-04 Corporate Plan and Portfolio Budget Statement (PBS) 2002-03 were brought into alignment. The 2003-04 PBS has already been published. Alignment will be maintained in the development of the 2003-06 Corporate Plan.

RECOMMENDATION 3 - IT Strategy

The ANAO recommends that, in order to realise a range of business and accountability benefits from its IT platform:

- (a) that the objectives of individual IT projects are aligned with the strategic direction of the Corporation; and
- (b) consideration is given in the IT strategic plan to the acquisition of a suitable capability to capture and report on performance information relevant to the ABC's new Corporate Plan.

Part (a)- **NOT YET ACHIEVED** - At the time of responding to the ANAO, the ABC noted that integrated strategic development was well advanced within the Corporation through the development of a new IT Strategic Plan.

The Corporation's Capital Plan provides for limited investment in IT infrastructure in accordance with corporate objectives. But executive management has still not finalised agreement on a long term IT strategy. This delay arose, in significant part, to uncertainty over the availability of budgets in the 2003-06 funding triennium. Recently the Managing Director has taken action to re-focus the ABC's technology strategy function through a re-alignment of management and operational responsibilities.

Work on this has now recommenced following the ABC Board's approval of the 2003/04 Budget Strategy.

Part (b) -**NOT YET ACHIEVED**- See Part (a), above.

RECOMMENDATION 4 - Schedule Management

To improve decision-making in schedule management and enable better measurement and reporting of achievement against Charter obligations, the ANAO recommends that the ABC:

- (a) integrate financial information and performance information at the planning phase of schedule management;
- (b) improve the specification of program objectives, including setting qualitative and quantitative targets directed at higher standards of performance, including increased reach and share; and
- (c) make better use of time series information and information about the behaviour and attitude of audiences and those who do not use ABC services, including time use analysis information.

Part (a) **ACHIEVED** - A review by ABC Group Audit (accountable to the Audit Sub-Committee of the ABC Board) confirms that Television, Radio and New Media satisfy this requirement (although further attention will be given to improve the consistency of financial information provided in Radio commissioning documents)

Part (b) **ACHIEVED** - ABC Group Audit confirms that Television, Radio and New Media satisfy this requirement

Part (c) **ACHIEVED** – ABC Group Audit confirms that Television, Radio and New Media satisfy this requirement.

RECOMMENDATION 5 – Editorial Policies

The ANAO recommends that, in order to improve reporting on the achievement of programming standards that have legislative force - independence, accuracy and impartiality – and to assist ABC personnel have a clearer understanding of what such standards mean in practice, the ABC develop appropriate reporting methodologies and arrangements that clearly differentiate the legislated standards from the other ABC editorial standards.

ACHIEVED – through a number of related changes to the governance process, introduced since the ANAO completed its fieldwork investigation at the ABC. Each Divisional Executive Director is required to provide a monthly Governance Report to the Board in which he/she affirms that all legislative and governance obligations have been met and/or identifies any breaches of policy or issues of concern. The management of audience contacts and complaints is now coordinated through the Corporate Affairs Division, which results in a consistent approach to the evaluation and response to complaints. The complaints process includes the function of the Complaints Review Executive, a management role operating independent of program departments, which provides thorough and timely response to significant complaints. These processes relate to ABC Editorial Policies, which cover legislated requirements including independence, accuracy and impartiality. Moreover Divisional managements continue to deliver staff training in Editorial Policies, initiated following completion of a major policies review in 2002.

Furthermore the ABC Board has decided to formally review the processes and performance of governance activities twice each year. This regular review will help enable Board Directors to make a specific assurance to Parliament that they have been fully able to discharge their legislative obligations in relation to the independence, accuracy and impartiality of news and information programming.

RECOMMENDATION 6 – Broadcasting Standards

The ANAO recommends that, in order to reduce confusion and improve consistency and the clarity of documentation, the ABC produce a single statement of the required broadcasting standards, for use both within the ABC and for the purposes of notification to the ABA of the Code of Practice required under the ABC Act.

PARTIALLY ACHIEVED – The Board adopted a major revision of ABC Editorial Policies in August 2002, which included modifications to improve the consistency between broadcasting standards required of the ABC and for the purposes of notification to the ABA for matters relating to the ABC's Code of Practice. The Board advised the ANAO that the audit findings would be taken account of in the next review of the Editorial Policies, which is also intended to consider the separation of policies from guidelines within the document.

The Board has asked for a periodic 'stock take' of the existing Editorial Policies to evaluate the process of implementation and determine whether significant issues need to be addressed. This information will next be provided to the Board in February 2004, at which time a recommendation will be made in relation to updating the content and presentation of Editorial Policies.

RECOMMENDATION 7 – News and Information

The ANAO recommends that, in order to strengthen existing editorial arrangements, the ABC clarify the following:

- (a) the differences between news and current affairs as generic program titles and news and current affairs as specific programs produced by the News and Current Affairs Division;*
- (b) the status of “information” programs and the applicability of the Editorial Policies to them; and*
- (c) responsibility for reporting within the Corporation about the independence, accuracy and impartiality of the ABC’s information programs.*

Part (a) – **ACHIEVED** - The revised Editorial Policies provides full clarity.

Part (b) – **ACHIEVED** - The revised Editorial Policies include sections specific to news and Current Affairs and to Other Information Programs.

Part (c) – **ACHIEVED**, and subject to ongoing refinement, through monthly Governance Reports to the Board, changes to the complaints management processes and related revisions to the Editorial Policies to provide greater clarity.

RECOMMENDATION 8 – Program Quality Reviews

The ANAO recommends that, in order that the Board is more able to assure itself and Parliament about the achievement of legislative (not the Charter) requirements for the ABC’s news and information programs, the ABC:

- (a) extend the current system of quality review to include an assessment of the Charter requirements of independence, accuracy and impartiality and use the data to generate appropriate reports to the Board on the achievement of these requirements; and*
- (b) apply a similar extended system of quality review to ABC current affairs and information programs, including information programs produced outside the News and Current Affairs Division.*

Part (a) – **ACHIEVED** - the established process of formal reviews of ABC News programs was amended to explicitly address issues of independence, accuracy and impartiality

Part (b) – **ACHIEVED, WITH QUALIFICATION** - since the beginning of 2003, these reviews have extended progressively to include ABC Current Affairs programs. Since June 2003, the News and Current Affairs Division reports on program reviews within its monthly Governance Report to the Board. Any breaches of Editorial Policies, including the legislative requirements of independence, accuracy and impartiality, are detailed. Information programs produced within the Radio and New Media Services Divisions are reviewed against adherence to editorial policies with any identified breaches also reported within the appropriate Governance Report to the Board.

In line with the ABC’s commitment to better practice and continuous improvement, the Board has asked management to develop further qualitative research and longitudinal analysis of these program quality reviews.

RECOMMENDATION 9 – Surveys of Accuracy, Impartiality and Independence

The ANAO recommends that, to enable the Board to assure itself that the ABC is delivering a news and information service that is independent, accurate and impartial, the material regularly presented to the Board on the basis of audience feedback be improved by addressing the issues of independence, accuracy and impartiality which should be supported by appropriate statistical surveys or other analysis.

ACHIEVED, WITH QUALIFICATION - through the reintroduction of the annual *Newspoll* survey and provision of regular statistical analysis to the Board.

The perception of balance and even-handedness in relation to News and Current Affairs reportage is tested in the *Newspoll* survey, representing performance indicators of independence and accuracy. Balance, bias and impartiality are questioned in relation to ABC News Online. It should be noted that, when responding to the commonly understood notions of balance and even-handedness, people provide an indicator of impartiality and independence. Arguably these are more understandable and relevant concepts for people than being asked whether they consider the ABC to be 'independent'.

The legislative responsibility for news and information programs to be accurate is not usefully measured on the basis of audience perception. It is more appropriately measured through the identification of demonstrable inaccuracies. The Corporate Affairs Division provides regular statistical reports on audience contacts including, specifically, complaints received and findings made as to whether they constitute upheld breaches of ABC Editorial Policies.

In line with the ABC's commitment to better practice and continuous improvement, the Board has asked management to examine other ways in which such work may be supplemented.

RECOMMENDATION 10 - Service Level Agreements

The ANAO recommends that, in order to assist the monitoring of the effectiveness of the inter-divisional service arrangements for news and current affairs:

- (a) the ABC progress without delay the conclusion of the service agreements between the News and Current Affairs Division and the three output divisions; and
- (b) the service agreements be subject to an evaluation process each year.

Part (a) - **ACHIEVED** - Service Level Agreements and administrative arrangements are in place to govern relationships between the Divisions.

Part (b) - **ON TRACK**- See Part (a), above.

RECOMMENDATION 11 - Alignment of Internal and External Reporting Requirements

The ANAO recommends that the ABC:

- (a) align its internal performance measuring, targeting and reporting framework with the external performance reporting requirements of the outcome, outputs-based system of accrual budgeting and accounting; and
- (b) refine its management information systems to incorporate both financial and non-financial information using this framework.

Part (a) - **PARTIALLY ACHIEVED** - The twice yearly Corporate Indicators report to the board includes fully attributed/outputs-based financial data. Work continues to monitor and review the processes of attribution and the format of information to ensure the integrity of the data.

Part (b) - **NOT YET ACHIEVED**- Where individual projects allow, management information systems are incorporating both financial and non-financial information. However, funding constraints limit the Corporation's ability to fully implement this recommendation in the foreseeable future. This will be brought to the attention of the ANAO when its returns for its follow-up review later this year.

RECOMMENDATION 12 - Performance Information

The ANAO recommends that, in order for Parliament and the public to readily assure themselves that ABC programming adequately meets the ABC's Charter, the ABC:

- (a) publish specific information of adequate detail and of sufficient quality relating to the Charter in the Corporate Plan, the Portfolio Budget Statement and the Annual Report; and*
- (b) publish expert research on a periodic basis (say every five years) reporting findings about the extent to which ABC programming meets the Charter together with the outcomes of surveys of consumer and audience satisfaction with ABC programming.*

Part (a) - **ON TRACK** - It is proposed that the 2003-06 Corporate Plan will address issues of Act and Charter responsibilities. Appropriate language is reflected in the Portfolio Budget Statements. The ABC's Annual Report 2002-03, currently in preparation, will demonstrate explicitly the links between legislative obligations, the Corporate Plan and related performance information.

Part (b) **ACHIEVED**- through the annual *Newspoll* survey.

RECOMMENDATION 13 - Audience Analysis and Strategies

The ANAO recommends that the ABC:

- a) publish in its Annual Report analyses of audience reach and share for radio, television and on-line; and*
- b) include strategies in the Corporate Plan (and where appropriate, the PBS) to address trends disclosed in the analyses of audience reach and share and report the results of the strategies in its Annual Report.*

Part (a) - **ACHIEVED** - The ABC routinely reports on reach and share within its Annual Report.

Part (b) - **ON TRACK** - A range of audience trend information has been prepared by Corporate Planning and Governance, in conjunction with Audience Research, which has been designed to inform strategic decisions for the 2003-06 Corporate Plan. It is anticipated that strategies within the Corporate Plan will address the findings, which can be reported against in the 2003-04 Annual Report.

RECOMMENDATION 14 - Audience Research in Regional and Rural Australia

The ANAO recommends that, in view of the ABC's responsibility to broadcast to all Australians the ABC adopt cost effective strategies to assess ABC performance in relation to the whole of the Australian population, especially the population of regional and rural areas outside the main population centers.

ACHIEVED- Please refer to audience research information provided above in response to JCPAA recommendation 1, paragraph 2.7.