

SUPPLEMENTARY BUDGET ESTIMATES- 20 NOV 2014

ABC MD OPENING STATEMENT- NOTES

- Yesterday the Minister confirmed that the ABC's budget will be cut by \$207m over 5 years- a 5% budget cut [\$20m 2015-16; \$61m in 16-17; \$55m in 17-18 and \$68m in 18-19].
- This cut comes on top of the 3% cut over 4 years, levied earlier in the May budget.
- In addition, the Government has allocated no funding for the cost of redundancies, which will need to be covered by the ABC out its current allocation and asset based.
- This is the first official notification we have received on this matter. Clearly, they impact upon the ABC and we need to finalise our response.
- The ABC Executive is working to finalise business cases for changes that will be proposed as a result of these cuts. I am therefore not yet in a position to share these with you.
- I anticipate these will be finalised by Monday, at which time I will provide staff with a briefing and consultation will commence. My first obligation is to them, especially as the changes we need to make will involve job losses.
- I am not in a position to confirm details tonight- business cases need to be finalised and it is important that I have brief ABC staff before speaking publicly about these changes.
- I will, however, note that:
 - the ABC will look to find efficiencies in our operations and support services to make savings required;
 - the ABC will seek to protect content wherever possible in making these funding cuts; and
 - while the Efficiency Review, commissioned by the Minister, set out a number of efficiency recommendations, if implemented, would have an impact on ABC content.
- I am happy to speak about the process and our thinking as we weigh up these decision.
- Lastly, I am sure you all would have heard the Minister in his speech yesterday say that it, in the end, it is the Australian people who will judge whether they are getting value for money from the national broadcaster. The public will ultimately judge us on the service that we deliver.
 - As some of you may not know, the latest annual ABC Appreciation Survey, conducted by the independent company Newspoll, in fact indicated that 84 per cent of respondents believe that the ABC is performing a valuable role.
 - I want to assure you all, that despite the cuts and slings and arrows of political and budgetary fortunes, we at the ABC will continuing to do just this and delivering services of high quality to the Australian public.