

Report

**Annual** 2013



"This service, the ABC, now belongs to you. We are your trustees.

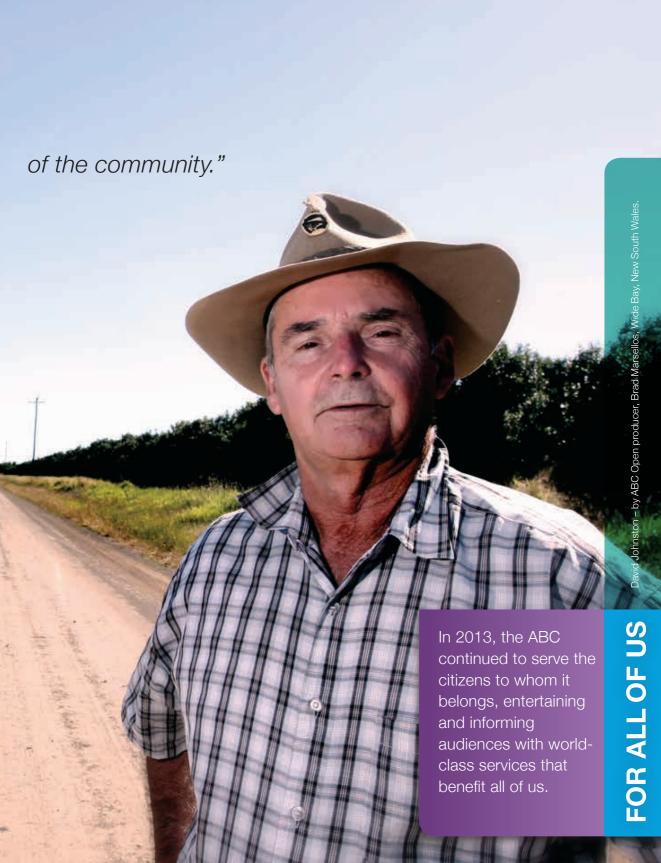
It is a service that is not run for profit, but purely in the interests of every section

From the ABC Radio introductory address, 1932

AT ITS VERY BEGINNING, the ABC was conceived as a unique gift to the nation—an investment that would pay dividends in terms of our cultural life and our ability to understand ourselves and the world around us.

In 2013, the ABC continued to make high quality content available with unparalleled reach and universality, and to deliver on the key strengths and core responsibilities which underpin the ABC's place in Australian society as a trusted and reliable broadcaster.

Digital platforms, mobile services and social media provide new opportunities for all of us to listen, watch, explore and share ABC content. Combined with independent and highly-trusted news and information, quality Australian content, and children's content which is safe, fun and educational, the benefits of a strong public broadcaster are there for all of us.





ABC Ultimo Centre 700 Harris Street Ultimo NSW 2007

GPO Box 9994 Sydney NSW 2001

Tel. +61 2 8333 5135 Fax. +61 2 8333 2967 abc.net.au

The Board of the Australian Broadcasting Corporation is pleased to present the Annual Report for the year ended 30 June 2013.

The Directors of the ABC Board are responsible under s.9 of the Commonwealth Authorities and Companies Act 1997 for the preparation and content of the ABC Annual Report.

The Report is prepared in accordance with the requirements of the Commonwealth Authorities and Companies Act 1997 and the Australian Broadcasting Corporation Act 1983, and was approved by a resolution of the Board on 29 August 2013.

It provides a comprehensive review of the ABC's performance in relation to its legislative mandate and as a diversified media enterprise operating within a fast-evolving industry environment. This year's editorial theme of the report— For all of us—highlights the diversity and universality of the ABC's services, which are provided for all Australians.

James Spigelman AC QC

Chairman

1_	About the ABC	Purpose, Vision and Values	4
		Snapshot of ABC services	6
	5	ABC Board of Directors	12
		Board Directors' statement	16
		ABC Executive	18
		The year ahead	22
		Strategic objectives	23
2	Audience experiences	Audience trends	27
		Radio	31
	25	Television	39
	49	News	53
		Online	59
		International audiences	63
		Consumer experiences	69
3	Inside the ABC	Editorial standards	79
		Infrastructure and operations	82
		ABC people	87
		Health and Safety	92
		Corporate functions	96
4	Corporate responsibility	Corporate responsibility	103
	101	Corporate responsibility in a	
	7()7	broadcasting context	106
		Environmental responsibility	113
		Social responsibility	119
5	Governance	Corporate governance	129
	407	Performance against the ABC Strategic Plan	136
	77/	Government outcomes	143
		Reconciliation Action Plan	149
		ABC Advisory Council	153
6	Financials	Financial summary	150
		Independent auditor's report	154
	15/	Financial statements	156
7	Appendices	Appendices	215
	045	Glossary	260
	215	Index	262



ABC Ultimo Centre 700 Harris Street Ultimo NSW 2007

GPO Box 9994 Sydney NSW 2001

Tel. +61 2 8333 5135 Fax. +61 2 8333 2967 abc.net.au

The Board of the Australian Broadcasting Corporation is pleased to present the Annual Report for the year ended 30 June 2013.

The Directors of the ABC Board are responsible under s.9 of the Commonwealth Authorities and Companies Act 1997 for the preparation and content of the ABC Annual Report.

The Report is prepared in accordance with the requirements of the Commonwealth Authorities and Companies Act 1997 and the Australian Broadcasting Corporation Act 1983, and was approved by a resolution of the Board on 29 August 2013.

It provides a comprehensive review of the ABC's performance in relation to its legislative mandate and as a diversified media enterprise operating within a fast-evolving industry environment. This year's editorial theme of the report— For all of us—highlights the diversity and universality of the ABC's services, which are provided for all Australians.

James Spigelman AC QC

Chairman

1_	About the ABC	Purpose, Vision and Values	4
		Snapshot of ABC services	6
	5	ABC Board of Directors	12
		Board Directors' statement	16
		ABC Executive	18
		The year ahead	22
		Strategic objectives	23
2	Audience experiences	Audience trends	27
		Radio	31
	25	Television	39
	49	News	53
		Online	59
		International audiences	63
		Consumer experiences	69
3	Inside the ABC	Editorial standards	79
		Infrastructure and operations	82
		ABC people	87
		Health and Safety	92
		Corporate functions	96
4	Corporate responsibility	Corporate responsibility	103
	101	Corporate responsibility in a	
	7()7	broadcasting context	106
		Environmental responsibility	113
		Social responsibility	119
5	Governance	Corporate governance	129
	407	Performance against the ABC Strategic Plan	136
	77/	Government outcomes	143
		Reconciliation Action Plan	149
		ABC Advisory Council	153
6	Financials	Financial summary	150
		Independent auditor's report	154
	15/	Financial statements	156
7	Appendices	Appendices	215
	045	Glossary	260
	215	Index	262

# FOR ALL OF US

# **Purpose, Vision and Values**

Providing content and services of the highest quality lies at the heart of the ABC's public purpose.

#### The ABC's Purpose

is to fulfil its functions as set out in the *Australian Broadcasting Corporation Act 1983*, particularly the ABC Charter.

#### The ABC's Vision

is to provide high quality content and services that will ensure the ABC is valued as Australia's most trusted and creative media organisation.

#### **Our Values**

The ABC is a truly independent media organisation for all Australians. Our values are the foundation of how we work.

# Integrity Respect Collegiality Innovation

We act with trustworthiness, honesty and fairness. We deliver on our commitments and are accountable. We treat our audiences and each other with consideration and dignity. We embrace diversity. We work together willingly. We cooperate and share in the ABC's challenges and successes.

We foster creativity and distinctiveness. We encourage new thinking and strive to achieve quality in all that we do.

As Australia's

primary public

ABC strives to

programming,

communities.

broadcaster, the

provide high-quality

independent news

enriches Australian

and information, and content that Purpose, Vision and Values

Snapshot of the ABC Roles and responsibilities

of the Board

ABC Board of Directors

Board Directors' statement

**ABC** Executive

Outlook for the year ahead

ABC strategic objectives

## **ABC** services

# ABC RN, ABC Classic FM and triple j national radio networks, also available in mainland capital cities as a digital radio service<sup>1</sup>

#### **ABC Local Radio**

available from 60 locations around Australia. Also available in mainland capital cities as a digital radio service<sup>2</sup>

#### **Digital Radio**

ABC Dig Music, ABC Jazz, ABC Country, ABC Grandstand, triple j Unearthed, as well as ABC Extra, a special events digital radio station<sup>3</sup>

#### **Streaming**

all digital radio services are streamed online

- Also available via digital satellite subscription services.
- Some Local Radio services are available via digital satellite subscription services.
- <sup>3</sup> ABC Dig Music and ABC Jazz are also available on free-to-air digital and subscription television services.

#### **ABC NewsRadio**

national, continuous news radio network

#### ABC News and Current Affairs online

in-depth journalism content

# UND

### ABC1

the ABC's primary television channel

#### **ABC News 24**

national, continuous news television network

# ADU

#### ABC<sub>2</sub>

content for a younger adult demographic between 7pm and 2am, running on the ABC's second free-to-air digital television channel

#### **ABC4Kids**

content for pre-schoolers between 6am and 7pm, running on the ABC's second free-to-air digital television channel

#### iview

an internet-only catch-up television service

#### ABC3

a dedicated children's channel

The ABC delivers a wide range of services across multiple platforms.

#### Radio Australia

an international radio and online service

## **Australia Network**

an international television and online service, broadcasting to 46 nations in Asia and the Pacific

#### **International Projects**

assisting media organisations internationally with strategic advice, training, mentoring and technical support

#### **ABC Open**

an initiative for Australians in regional communities to produce and publish photos, stories, videos, and sound through the ABC

# abc.net.au

content which can be streamed or downloaded, plus content uniquely designed for broadband delivery

#### **ABC Retail**

155 retail outlets plus ABC Shop Online

#### **ABC Publishing** and Licensing

magazines, books and merchandise

#### **Video Entertainment** and Distribution

DVD and digital distribution

#### **ABC Digital**

online and mobile products

#### **Content Sales**

format, digital content, footage, audio and stills

#### **Mobile services**

a range of apps for smartphones and tablets

#### **ABC Music and Events**

variety of music products and live events

# **ABC** operations

London

Beijing

Tokyo

New Delhi

Bangkok

Bangkok

Moscow

Jakarta

Port Moresby

Auckland

Broome

from 60 locations around Australia and 12 overseas bureaux

- Australian transmission
- ABC international bureaux and news correspondents

NATIONAL

Kalgoorlie •

Bunbury Wagin

Perth

Geraldton

Karratha

Esperance



## The ABC in 2012-13

The ABC continues to provide content which informs, educates and entertains, and which is freely available for all of us.

VALUE

Percentage of Australians who believe the ABC provides

#### a valuable service

to the community (see page 27)

#### **Estimated reach**

of ABC services via radio, television and online (see page 27)

4.6 million

Average number of users who visited abc.net.au each month (see page 60)

ISTEN

**Total hours broadcast** 

on each ABC Radio network and station

8,784

4.5 million

ABC Radio's average five-city weekly metropolitan reach (see page 32)

1.3 million

Average national audience for weeknight 7pm News on ABC1 (see page 56)

million

Average monthly reach of ABC news and current affairs websites (see page 57)

# 9.4 million

ABC Television's average five-city weekly metropolitan reach, or 59 9%

892

Number of hours of **first-release** Australian TV content broadcast in prime-time

98.5%

Percentage of
Australians who can
access ABC's digital
television services
(see page 40)

4.5 million

ABC TV's total weekly regional reach, or 64.2% (see page 40)

46

Number of **countries** across Asia, the Pacific and the Indian sub-continent where Australia Network television content is available (see page 66)

Number of languages that radio content is provided in Asia (see page 63)

SHOP

155

Number of ABC **retail outlets** operated
throughout Australia
(see page 257)

200,000

Average number of
Australians who come to
ABC Shop Online
each month

**\$1.1** million

Net profit generated by ABC Commercial which was **returned to programming** (see page 69)

## **ABC Board of Directors**

# Role and responsibilities of the Board

THE ROLE AND RESPONSIBILITIES OF THE ABC BOARD derive from the *Australian Broadcasting Corporation Act 1983* ("ABC Act"). Section 8 of the ABC Act requires the Board to ensure the functions of the Corporation are performed efficiently and with the maximum benefit to the people of Australia, while maintaining the ABC's independence and integrity. It is required to ensure that the gathering and presentation of news and information is accurate and impartial according to the recognised standards of objective journalism; to develop codes of practice relating to programming matters; ensure compliance with the ABC Act and other relevant legislation; and to consider matters of Government policy relevant to the functions of the Corporation when requested to do so by the Minister. The ABC Act also requires the Board to prepare corporate plans for the ABC and to notify the Minister of any matters likely to cause significant deviation from those plans.

In addition, individual Directors are required to meet objective standards of care and good faith, as set out in the *Commonwealth Authorities and Companies Act 1997*.

Directors are required to observe the ABC Board Protocol, first adopted in September 2004, which sets out their responsibilities and rights. They are required to provide a declaration of interests upon their appointment, which is updated as necessary. At each meeting, Directors are asked if they wish to declare a material personal interest in any items on the agenda. Induction processes are in place for new Board members and online training is available through provision of the Directors' Manual and Corporate Governance in Australia modules from CCH Australia Limited. Other professional development for Directors is provided as required.

The ABC Charter and Duties of the Board are set out in Appendix 1 (see page 216).





James Spigelman AC QC

**ABC** Chairman BA (Hons) LLB, Hon. LLD 1 April 2012 - 31 March 2017

James Spigelman was the Chief Justice and Lieutenant-Governor of New South Wales from 1998 to 2011. Between 1980 and 1998 he practised as a barrister in Sydney and was appointed QC in 1986. Between 1972 and 1976 he served as Senior Adviser and Principal Private Secretary to the Prime Minister of Australia and as Permanent Secretary of the Commonwealth Government's Department of the Media. From 1976 to 1979 he was a member of the Australian Law Reform Commission.

Mr Spigelman has served on the Boards and as Chair of a number of cultural and educational institutions including: Chair of the National Library of Australia between 2010 and 2012, Member of the Board of the Australian Film Finance Corporation between 1988 and 1992 (Chairman between 1990 and 1992), Member of the Board of the Art Gallery of New South Wales between 1980 and 1988 (Deputy Chairman between 1983 and 1988), and as President of the Museum of Applied Arts and Sciences between 1995 and 1998. In November 2012 he was appointed a Director of the Board of the Lowy Institute for International Policy. In 2013 he was appointed a Non-Permanent Judge of the Court of Final Appeal of Hong Kong.

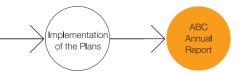


#### Mark Scott AO

**ABC Managing Director** BA, DipEd, MA (Syd.), MPubAdmin (Harv) 5 July 2006 – 4 July 2011; 5 July 2011 - 4 July 2016.

Under Mark Scott's leadership, the structure and operation of the ABC has been transformed and the ABC's services and reach have been dramatically expanded. The ABC has established a reputation as Australia's leading digital media innovator during this time. He has also led a shift within the organisation from a process-based culture to one that emphasises the values of Respect, Integrity, Collegiality and Innovation.

Before joining the ABC, Mr Scott served 12 years in a variety of editorial and executive positions with Fairfax Media, Editorial Director of the Fairfax newspaper and magazine division and Editor-in-Chief of Metropolitan, Regional and Community newspapers.





Steven Skala AO

Vice Chairman, Australia and New Zealand, of Deutsche Bank AG
BA LLB (Hons) (Qld) BCL (Oxon)
6 October 2005 – 5 October 2010;
24 November 2010 – 23 November 2015.

Steven Skala is Chairman of Wilson HTM Investment Group Limited, and Director of Hexima Limited. He is Vice President of the Board of the Walter & Eliza Hall Institute of Medical Research, Deputy Chairman of the General Sir John Monash Foundation and a Director of the Centre for Independent Studies. Mr Skala serves as a Member of the International Council of the Museum of Modern Art (MoMA) in New York, the Advisory Council of the Australian Innovation Research Centre, and the ANZAC Centenary Advisory Board Business Group.



#### Professor Julianne Schultz AM

Academic, editor and company director BA (Qld), PhD (Syd.), GradCertMgmt (AGSM) FAHA 27 March 2009 – 26 March 2014.

Julianne Schultz is the founding editor of Griffith REVIEW. She is the Chair of the Australian Film, Television and Radio School and a member of the Board of the Grattan Institute. Professor Schultz is a member of the advisory boards of the Centre for Advanced Journalism, Companion to Australian Media, High Resolves Initiative, Australian Indigenous Mentoring Enterprise, and is an ambassador for Australian Indigenous Education Foundation. She is a judge of the Miles Franklin, Walkley and Sidney Myer Creative Fellowship awards.



#### Cheryl Bart AO

Lawyer and Company Director BCom, LLB (UNSW), FAICD 3 June 2010 – 2 June 2015.

Cheryl Bart is Chairman of ANZ Trustees Ltd, the South Australian Film Corporation, Foundation for Alcohol Research and Education, and the Environment Protection Authority of South Australia. She is a director of Spark Infrastructure Ltd, South Australian Power Networks (formerly ETSA Utilities), Audio Pixel Holdings Ltd, the Australian Himalayan Foundation and the Local Organising Committee Asian Cup 2015 Ltd.



#### **Jane Bennett**

Lawyer and Company Director AdvCertAppSc (Dairy Tech), FAICD 30 June 2011 – 29 June 2016.

Jane Bennett is the former Managing Director of Ashgrove Cheese, a family owned and run business in Tasmania. Ms Bennett is the immediate past chair of the Food Industry Advisory Council in Tasmania and is a Board Member of the Brand Tasmania Council. Her other directorships include the Australian Farm Institute, Tasmanian Ports Corporation, Brand Tasmania Council and the CSIRO.



#### Dr Fiona Stanley AC FAA FASSA

Patron and the founding Director of the Telethon Institute for Child Health Research MSc (Lon.), MD (WA), Hon. DSC (Murdoch), Hon DUniv (QUT), HonMD (Syd.), Hon. DUniv (Melb.), Hon. Dsc (ECU), Hon, FRACGP, Hon. FRCPCH (UK), FFPHM (UK), FAFPHM, FRAQNZCOG, FASSA, FAA, FRACP, FFCCH 30 June 2011 - 29 June 2016.

Fiona Stanley is a Distinguished Research Professor in the School of Paediatrics and Child Health at the University of Western Australia, a Vice-Chancellor's Fellow and Director of the 2013 Festival of Ideas at the University of Melbourne, and Chair of the Alcohol Advertising Review Board, an initiative of the McCusker Centre for Action on Alcohol and Youth. Professor Stanley has more than 350 published papers, books and book chapters.



**Matt Peacock** 

Journalist, ABC Staff Elected Director 22 April 2013 - 21 April 2018.

Matt Peacock is a senior journalist with the ABC working on the 7.30 program. He is Adjunct Professor of Journalism with Sydney's University of Technology (UTS) and has authored newspaper and magazine articles, as well as the book Killer Company (HarperCollins, 2009), a history of Australia's largest asbestos manufacturer, James Hardie which inspired the ABC Television miniseries, Devil's Dust.



Simon Mordant AM

Vice Chairman and Managing Director of Greenhill & Co., Inc. CA. ACA (UK)

8 November 2012 – 7 November 2017.

Simon Mordant has been a practising corporate adviser in Australia since 1984. He is Chairman of the Board of the Museum of Contemporary Art Australia. Simon is Australian Commissioner for the 2013 and 2015 Venice Biennale, a member of the Leadership Council of the New Museum in New York and a member of the International Council of The Museum of Modern Art in New York, a member of the Executive Committee of the Tate International Council, a Director of the Sydney Theatre Company and the Garvan Research Foundation, and a member of the Wharton Executive Board for Asia.

Full details of the experience, past appointments and achievements of each of the members of the ABC Board are available at:

www.about.abc.net.au/who-we-are/ the-abc-board/

# **Board Directors' statement**

#### **Accessibility**

The ABC provides a wide range of services—television, radio and digital—available throughout the nation—for all of us—regardless of age, geography or income. It provides, and is committed to continue to provide, a range of shared experiences for Australians which nourish our sense of national identity, promote social cohesion and enrich and inform all aspects of Australian life, including the maintenance of a vibrant democracy. The Australian broadcasting system has developed on the principle of universal, free accessibility. The ABC is part of that system, together with commercial and community broadcasters, providing a distinctive, but sometimes similar, service.

There is a broadly-based consensus in Australia that there is a core of programming that must be universally available. This is reflected, perhaps most clearly in the statutory "anti-siphoning" list, pursuant to which major sporting events must be offered first to free-to-air television. This consensus is not limited to sport. In order to maintain a cohesive society and a vibrant democracy, a wide range of programming must be available to all, to facilitate public debate and to ensure that the whole community understands its heritage and knows its own stories.

In the traditional mixed model of the Australian broadcasting environment—encompassing both commercial and public broadcasting—the intrusion of advertising on free-to-air television and radio does not undermine the principle of universal availability. This model was underpinned by a mass media model which is now being challenged by niche, paid for and subscription services. These services, including pay TV and other new digital services, provide greater programming diversity, but for specialised audiences.

The ABC has an express statutory obligation to offer services to the community as a whole, as well as to provide programming of special interest. The ABC has never in its 80 year history been merely a "market failure broadcaster", obliged to fill gaps in the programming provided by the commercial broadcasters. The ABC should fill gaps, but it is also directed, by statute, to provide "comprehensive broadcasting services". We must ensure that all Australians have access to quality media services, perhaps particularly access to reliable news and information about international, national, regional and local matters.

One of the hidden dangers of the digital revolution is that it is now possible for citizens to retreat into an electronic village and insulate themselves from any opinion with which they might disagree. The role of public broadcasters to promote social cohesion and provide a forum for debate in a democratic polity as a whole remains of critical importance. The ABC provides shared experiences—cultural experiences in the broadest sense of that term—that are common to all Australians. It does so at a time when such common cultural experiences, based on media content, are less often available than in the past.

#### For citizens

A defining characteristic of public broadcasting is that it must treat its audiences as citizens and not merely as consumers. To act in this way—both in the content of programming and the manner of interaction with audiences—is an essential component of an ethos of public service that the ABC, by force of its statutory Charter, is obliged to adopt. Public service goes well beyond satisfying consumer demand.

A person's interest as a "consumer" is only one part of the person's status as a citizen. Consumers have desires or needs. Citizens have rights and duties. Whilst satisfying community demand for program content, or at least for mainstream content, may be common to both commercial and public broadcasters, there are process and accountability considerations which commercial broadcasters either do not have or do not share in the same degree.

Providing content that seeks to attract large audiences and ratings is not irrelevant to the functions of a public broadcaster, but our obligations extend to serving additional public values such as accessibility, openness, fairness, inclusion, impartiality, accountability, legitimacy, participation and honesty. The Corporation continues to serve this broad range of values by innovating and evolving, by being audience focused and audience responsive and by keeping pace with our audience's changing demands about how they want to experience ABC content.

#### **Digital services**

Like every other media organisation in Australia, indeed throughout the world, the ABC has had to adapt to the dramatic expansion of accessibility and

availability of media content arising from the digital revolution. Digital delivery enables any viewer or listener to arrange their own program schedules, to be accessed whenever they feel like it and to do so from an ever expanding range of sources, all accessible from rapidly converging hardware of increasing power.

A highlight for the ABC in the year under review was the amendment to the ABC's Charter to include "digital media services" as a core function, and to prohibit advertising on those services. These amendments were the most significant changes to the ABC's Charter in its thirty year history. They were passed with bipartisan, indeed with unanimous, support by the Australian Parliament.

The ABC has been in the forefront of experimentation in the Australian media with the digital revolution. It has introduced numerous initiatives and developed a wide range of services over the two decades since ABC Online commenced in 1994. The statutory amendment to the Charter secures the ABC's role in the digital future.

Even in the course of this year there have been significant changes in digital media consumption. The prevalence of mobile media use has led to a significant expansion in the uptake of ABC mobile apps. This year a turning point was reached, when the number of Australians watching the ABC's iview service on mobile devices exceeded those accessing it on personal computers.

As distinctions between platforms gradually dissolve in a digital environment, radio, television and print now converge in the same online space. This is impacting on the way the ABC organises itself internally. For example, the ABC's Audience Strategy Group has identified that the best converged content experience from mobile will begin with convergence and collaboration twinning ABC's radio, television and online content teams.

#### Trusted journalism

The digital revolution has unleashed waves of disruptive innovation throughout the media world. Whilst making available a range of information and creating content of historically unprecedented breadth, it has had negative consequences on traditional forms of public affairs journalism. These adverse effects have

been most dramatic on print journalism. They are also quite apparent amongst commercial broadcasters. Many media organisations have reduced their investment in in-depth public affairs journalism.

Commercial media organisations are striving to develop a new business model, capable of being profitable in a digital age. Their ability to do so is still uncertain. In this context it is more important than ever that the ABC maintains its capacity to provide a bedrock of quality services, from a trustworthy source and accessible to all Australians wherever they live. The provision of such services, in news and current affairs reporting and forums for discussion, with a degree of certainty that may not be available from traditional sources is a fundamental aspect of the public benefit that the ABC delivers.

Although a healthy media ecology providing diversity in the range of available voices may be restored by new digital providers, such providers will not for a considerable period, if at all, deliver the common cultural experience to all Australians, the significance of which is mentioned above. Nor will they, at least in the short term, develop the trust within the broader community that ensures that such common experiences have the positive social benefits of the past and the present.

Throughout this year, public opinion polls have consistently reinforced the long existing finding that the Australian public places more trust in the ABC than in any other Australian media organisation. With the future of commercial journalism so uncertain, this extent of public trust coupled with the security of public funding, the ABC's role is, if anything, more important than ever.

#### **Board of Directors**

Simon Mordant AM was appointed to the Board of Directors for five years in November 2012. Matt Peacock was elected to the reinstated position of ABC Board Staff-Elected Director and commenced the position on 22 April 2013.

The Board has throughout the year maintained an active oversight role across ABC operations and accountabilities, to ensure the ABC performs efficiently and with maximum benefit to the people of Australia, as required under section 8 of the ABC Act.

# **ABC** Executive

Management of the ABC's operations is the responsibility of a team of Executive Directors. This group convenes regularly and manages and coordinates its decision-making through a number of strategic leadership groups.



Kate Dundas
Director of Radio
BA (Comms) (CSU)

Kate Dundas was appointed Director of Radio in March 2009. Previously Kate held numerous senior roles in ABC Radio including Head of National Networks and General Manager Metropolitan Local Radio. In addition to her ABC career, Kate has worked in public and communications policy areas in both state and federal governments and held two senior management roles in the New South Wales Premier's Department.



Richard Finlayson
Director of Television
GradDipComms

Richard Finlayson joined the ABC as Director of Television in 2013. He has worked in media since 1985, beginning his career as a print journalist in regional NSW. He has built and sold his own successful media and TV production business, and worked for some years in subscription television. In 2009, he became Chief Operating Officer at the SBS. In his time at SBS Richard significantly increased commercial revenue, led its growing subscription TV business and spearheaded the network's expansion onto emerging digital platforms.



**Kate Torney Director of News** BA (MediaSt) (RMIT)

Kate Torney was appointed Director of News in April 2009. Before that, Kate was Head of Asia Pacific News. Kate has worked as a radio and television news and current affairs reporter and producer. a bureau chief, an executive producer and news editor. She was instrumental in establishing Insiders. Offsiders, Inside Business, Newshour (for Australia Network) and ABC News Breakfast. Under Kate's leadership ABC News launched News 24, the nation's first free-to-air 24-hour television news channel. Kate has led ABC News through a time of significant change, introducing major reform to how ABC News is gathered and delivered.



**Angela Clark Director of Innovation** BA (Oxf)

Angela Clark joined the ABC as Director of Innovation in March 2012. Angela started her career as an investment analyst before joining JCDecaux Australia as Managing Director and launching the company's operations across four states. In 2003, Angela joined Macquarie Radio Network as CEO. After 5 years heading up Macquarie Radio Angela left to pursue digital opportunities, founding a number of start-ups including Streetcorner.com.au.



**Lynley Marshall Chief Executive Officer of ABC International** MBA (Executive) (Auck)

Lynley Marshall was appointed CEO, ABC International in June 2012. She is leading the convergence of the ABC's international services. Prior to this, Lynley held the role of Director of ABC Commercial and also served as Director of New Media and Digital Services responsible for the integrated delivery of the ABC's digital content. Before joining the ABC, Lynley held a number of executive positions in radio, television and new media in New Zealand.



**Robert Patterson Director of ABC Commercial** BA (UNSW), GradDip(Mktg) (Macq.)

Robert Patterson was appointed Director of ABC Commercial in December 2012. Since joining the ABC in 1994 as Product Manager for ABC Classics, he has held a number of senior roles in ABC Commercial including General Manager ABC Music, Publishing and Events and was a major contributor to cross-divisional initiatives and strategy for ABC Commercial. He has an extensive background in content creation, distribution and marketing.



David Pendleton
Chief Operating Officer
B Bus(Acc) (UTS), SF Fin, FCPA

David Pendleton is the ABC's Chief Operating Officer (COO). He is a Director and was the inaugural Chairman of MediaHub Australia. He joined the ABC as General Manager of Group Audit in 1996, becoming General Manager of Financial Operations and Accounting, and later Head of Finance. In 2002, he was appointed Director of Finance and Support Services, and became COO in 2004. Before joining the ABC, David held senior management positions in the New South Wales public sector.



Michael Millett

Director of Corporate Affairs

Michael Millett was appointed Director of Communications in February 2009. Prior to joining the ABC, Michael has had a long career in print journalism. For the previous two years he was deputy editor of the *Sydney Morning Herald*. In a 20-year stint with the Herald, Michael served as a political correspondent, Canberra bureau chief, North Asia correspondent based in Tokyo, senior writer and news editor.



Samantha Liston
Director of People and Learning
BEcon (UNSW)

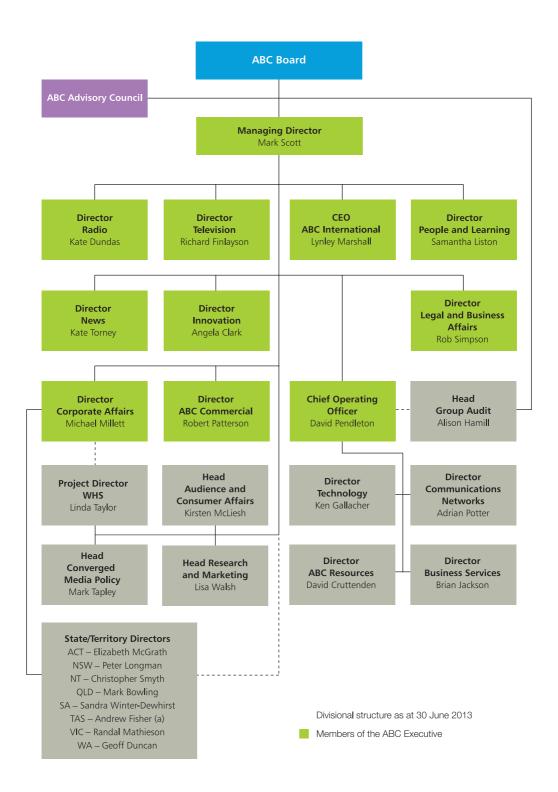
Samantha Liston joined the ABC as Director of People and Learning in March 2013. Sam has extensive experience in human resources and employee relations roles in the media sector. Prior to joining the ABC she was Group General Manager of Human Resources at Seven West Media and has also worked in human resources and employee relations roles at Fairfax and News Limited.



Rob Simpson
Director of Legal and Business Affairs
BA, LLB (Hons) (Syd.)

Rob Simpson joined the ABC as Director of Legal in August 2007. Prior to that he was a partner at law firms Gilbert + Tobin and Baker & McKenzie. He has also had extensive experience as a corporate lawyer and member of management teams, including as the first General Counsel of Optus.

# **ABC** divisional structure



# The year ahead

IN THE FIRST HALF of 2013, the ABC received additional funding from the Government to support its activities. The Corporation's triennial funding agreement for 2013–16, announced in the 2013 Budget in May, provided an additional \$89.4 million over three years to broaden the focus of the ABC's news and current affairs services and support its delivery of digital content.

In 2013–14, the Corporation will move swiftly to translate these funds into new and improved services for Australians.

#### News for a converged environment

Early in the year, the ABC will complete the second stage of its Newsgathering initiative, which was enabled by the Government's allocation in February 2013 of \$10 million to support the recruitment of specialist reporters and delivery of stronger local and regional coverage. The Corporation will complete the process of recruiting and training new staff in July and will open new offices in Parramatta, Geelong and Ipswich to provide more diverse and representative metropolitan news coverage. In regional Australia, the ABC will engage and equip journalists to increase the level of original local journalism from each region, including delivering stories for hourly state and national radio news bulletins, radio current affairs programs, television news and ABC News Online.

The Corporation will apply the additional news funding provided in the Budget to deliver more state-based current affairs, extend the seasons of its flagship current affairs programs and create more cross-platform news content for audiences. This third stage of the Newsgathering project will also focus on projects that appeal to younger audiences aged 25–49 and that maximise digital opportunities and audience engagement, including through the use of social media.

#### Delivering online and mobile content

The ABC's new funding agreement included \$30 million over three years for online content distribution. This will assist the ABC to meet the growing demand for digital content and to extend the benefits of its digital services, running projects to explore new streaming options and to improve the quality of iview.

#### **Melbourne Accommodation Project**

In May 2013, the Government approved a \$90 million loan to enable the Corporation to collocate its Melbourne operations in a new building consolidated with the existing ABC Centre at Southbank. The new facility will enhance cross-divisional collaboration and enable content sharing by bringing radio, television and online production together on the one site. The space will be optimised for public access and engagement, providing increased opportunities for the community to connect with the national broadcaster.

The ABC will finalise the detailed design of the new premises in 2013, allowing demolition of the adjacent building and construction to commence early in the first quarter of 2014. The estimated project completion date is early 2017.

#### Engaging with the wider media ecology

In the second half of 2013, the Corporation will undertake several pilot projects to explore and respond to the porous nature of online news media and the ways in which audiences use it. The ABC will develop a linking service for its websites, modelled on the BBC's successful Newstracker, that provides links to relevant stories on other news services from the Corporation's own stories. In a similar fashion, it will trial a locally-focused smartphone app that showcases ABC local, national and international content for audiences in a region, alongside links to content produced locally by other media outlets and community groups.

#### Indigenous employment

The Corporation's Reconciliation Action Plan 2013–15, which came into effect on 1 January 2013, extends the successes and responds to the failures of the previous Plan. In particular, it commits the ABC to recruiting and retaining greater numbers of Aboriginal and Torres Strait Islander staff and to meeting and exceeding a long-standing target of 2% Indigenous employment. In 2013–14, the Corporation will vigorously pursue these objectives by implementing its Indigenous Employment Strategy.

# Strategic objectives

The ABC's strategic direction in 2012–13 was guided by the ABC Strategic Plan 2010-13.

The Plan is framed around the following six strategic goals:

#### Being audience focused

To provide a range of media experiences to meet the needs and expectations of diverse audiences.

#### Being high quality

To consistently deliver content which reflects the ABC's commitment to quality, independence and high editorial standards.

#### Being innovative

To pursue new ideas, opportunities and partnerships, and grow our capabilities for the future.

#### Being values based

To demonstrate ABC Values in every aspect of our work.

#### **Being efficient**

To maximise the efficient and effective use of resources.

#### Being responsible

To be visible and active in the community, setting high standards of social, environmental and regulatory responsibility.

The ABC's performance against these goals is reported at page 135.



#### Reporting the **ABC's performance**

The ABC strives to maintain the highest standards in every aspect of its operations. The Board and the Executive set those standards in the ABC's Values, its Strategic Plan and in its divisional business planning; Government sets them when funding is granted; and most significantly, audiences set them every time they turn to the ABC to be informed, engaged and entertained. The remainder of this report demonstrates the ABC's performance on all of those levels.