Dear

I refer to our various conversations and emails clarifying the scope of your FOI request regarding ABC News 24. Following is my further response to that request:

## Source of savings which funded ABC News 24, and the amount of those savings

I confirm that the ABC's review of its television production activities, which commenced in 2007, identified a range of initiatives which resulted in efficiencies and savings. Some of those savings were made available to the News Division to fund ABC News 24. This was the primary source of funds for establishing ABC News 24. The documents which contain information regarding savings from the implementation of those initiatives contain a significant amount of information which is not relevant to your request, and modifying the documents by deleting the irrelevant material will not provide a realistic or sensible result.

## **Total additional cost of establishing ABC News 24**

Attached is an extract from the paper presented to the 15 April 2010 meeting of the ABC Board seeking approval for the commencement of ABC News 24. The extract provides information regarding the estimated budget implications of establishing the service. The extract has been modified to remove irrelevant material, however I can confirm that the total amount of \$15.6 million in the 'Source of Funds' table includes an amount of \$9.6 million from ABC wide operational efficiencies. It is important to note that whilst the extract from the Board paper is relevant to your FOI request, without any explanation or context the figures are relatively meaningless and are open to misinterpretation. I recommend that you contact Alan Sunderland, Head of Policy and Staff Development in the News division. Alan will be able to explain the context around the numbers, and answer your specific questions. You can contact Alan on 02 8333 4730 or by email at Sunderland.alan@abc.net.au.

## Cost of operating ABC News 24

I confirm our previous discussions that the ABC does not measure or report its expenditure on a platform or channel basis. As a result, the total costs of operating ABC News 24 are intermingled with the costs of providing the broader range of ABC news and current affairs programs and services. As discussed, I have investigated the possibility of providing you with information based on a comparison of annual budgets/expenditure before and after the launch of ABC News 24. However, as you would expect, there are an enormous number of variables which affect the annual expenditure of the News division. Accordingly, comparing expenditure in 2008-09 with 2009-10 (ie after the launch ABC News 24) does not provide a meaningful measure of the costs of operating ABC News 24.

If you are dissatisfied with this decision you can apply for Internal or Information Commissioner (IC) Review. You do not have to apply for Internal Review before seeking IC Review. Information about your review rights is attached.

Regards

Judith Maude Manager, Corporate Planning and Reporting FOI Coordinator