

COMMUNICATIONS AND THE ARTS

Grants in support of Centenary of Federation community activities

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
6.0	0.0	0.0	0.0

Explanation

Funding will be used to provide grants in support of Centenary of Federation activities with the aim of encouraging a high level of community involvement in those activities. Grants will be administered by the Centenary of Federation Council.

COMMUNICATIONS AND THE ARTS

Additional funding to the Visions of Australia programme to continue the provision for touring of cultural exhibitions

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
1.5	1.5	0.0	0.0

Explanation

The Visions of Australia programme aims to make Australia's cultural material more accessible, expand audiences, encourage regional museums and galleries to create and tour their own exhibitions throughout Australia and promote greater use of existing exhibition spaces and venues, as well as alternative community spaces such as showgrounds, schools and shopping centres.

Funds are being provided to continue the Visions of Australia programme for a further two years. The costs of this initiative will be fully offset from savings within the Cultural Development Program.

COMMUNICATIONS AND THE ARTS

Savings from the Cultural Development Programme to absorb the costs of the Visions of Australia programme

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-1.5	-1.5	0.0	0.0

Explanation

This measure absorbs the costs of the additional funding for Visions of Australia within the Cultural Development Programme.

COMMUNICATIONS AND THE ARTS

Continuation of funding to the Australian Children's Television Foundation

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.8	0.8	0.8	0.8

Explanation

The Australian Children's Television Foundation (ACTF) has operated as a national non-profit organisation to encourage the development, production and dissemination of high quality, innovative television programmes, films and other audio-visual media for children, and to encourage their distribution by any form of technology.

The additional funding for the Australian Children's Television Foundation contained in this measure will maintain Commonwealth support for the development of new Australian children's programmes at around \$2.3 million a year.

COMMUNICATIONS AND THE ARTS

Funding for development of the National Museum of Australia

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
7.0	0.0	0.0	0.0

Explanation

Funding is being provided in 1997-98 to continue development work for the construction of the National Museum of Australia at Acton Peninsula, Canberra.

COMMUNICATIONS AND THE ARTS

New funding for the Australian Film Finance Corporation

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.0	48.0	48.0	48.0

Explanation

The Australian Film Finance Corporation is the Commonwealth's main agency for assisting the film and television industry. New funding is being provided by the Government for the period beyond 1997-98 when the current arrangements expire. The Government will respond to the Gonski Review of Film Assistance later in 1997.

COMMUNICATIONS AND THE ARTS

Continued funding of Film Australia to maintain the National Interest Programme

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.0	6.6	0.0	0.0

Explanation

Film Australia is a Government owned company which operates a film studio complex in Lindfield, Sydney. Film Australia's main function is the production and distribution of documentaries under contract with the Commonwealth to produce the National Interest Programme (NIP). Funding for the NIP was due to expire at the end of 1997-98 and has now been extended for one year to 1998-99.

COMMUNICATIONS AND THE ARTS

Reduction in funding of the Australian Film Commission's Television Production Fund

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-5.0	0.0	0.0	0.0

Explanation

The Television Production Fund was established to assist Australian television production with annual funding of \$20 million in the years 1995-96 to 1997-98.

Funding in 1997-98 will be reduced by \$5 million to fund other new policy measures to be implemented for the portfolio in 1997-98.

COMMUNICATIONS AND THE ARTS

Funding provided to Symphony Australia Holdings Pty Ltd for orchestral services previously performed by the ABC

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
32.0	32.5	33.1	33.7

Explanation

Under this measure the orchestral services function of the Australian Broadcasting Corporation (ABC) will be structurally and financially separated from the ABC and delivered through a subsidiary company, Symphony Australia.

Symphony Australia will:

- establish each State orchestra as an ABC subsidiary company within three years along the lines of the Sydney Symphony Orchestra;
- provide State orchestras with the potential for greater local autonomy, and operational and administrative flexibility; and,
- assist the orchestras to pursue artistic and operational practices tailored to local circumstances and requirements.

Further Information

The new arrangements give effect to an agreement reached last December by all State and Commonwealth Ministers. The Mansfield Review of the ABC has also recommended structural and financial separation of orchestras from the ABC.

COMMUNICATIONS AND THE ARTS

Transfer of base funding from the ABC to establish Symphony Australia Holdings Pty Ltd

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-32.0	-32.5	-33.1	-33.7

Explanation

Consistent with the recommendations of the Mansfield Review into the role and functions of the Australian Broadcasting Corporation (ABC), \$32 million of the ABC's base funding has been permanently transferred to Symphony Australia. This transfer has been agreed by the ABC Board.

The orchestral services function of the ABC will be structurally and financially separated from the ABC, and delivered through a subsidiary company.

COMMUNICATIONS AND THE ARTS

Deferral of ABC debt repayments

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
4.8	-4.8	0.0	0.0

Explanation

This measure defers by one year scheduled 1997-98 debt repayments by the Australian Broadcasting Corporation (ABC). Under the indexation arrangements which have applied to the ABC, annual funding approved in the budget context is adjusted to take into account forecast increases in prices over the ensuing year. Adjustments are then made in subsequent budgets for overfunding or underfunding where the actual increase in prices differs from the forecast. The rescheduled debt repayments comprise adjustments of indexation overfunding and repayments of borrowings by the ABC in 1993-94 to meet extra salary costs in that year.

This measure, when combined with other adjustments to the ABC's forward year estimates which allow for rescheduling of borrowing repayments, will provide the ABC with added flexibility to adjust to its new funding levels and assist the ABC to manage its cash flows. These transactions are reflected in the forward estimates for the ABC which are published in Budget Statement 4.

COMMUNICATIONS AND THE ARTS

Additional funding to the Australian Broadcasting Corporation (ABC) for the broadcast of English and Tok Pisin language radio services by Radio Australia

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
4.7	4.8	4.9	5.0

Explanation

Additional funding is being provided to the ABC to maintain Radio Australia services from 1 July 1997. This funding will provide an English language radio service via satellite throughout the Asia Pacific region, English language radio services via shortwave transmission to the South Pacific and Papua New Guinea, and a Tok Pisin language radio service to Papua New Guinea available via shortwave transmission.

This measure will be funded through savings from within the Communications and the Arts (\$3.2 million) and Foreign Affairs and Trade (\$1.5 million) portfolios.

The corresponding savings measure in the Communications and the Arts portfolio is titled 'Savings from broadcasting and television capital works to offset additional funding provided to the ABC for Radio Australia services', and in the Foreign Affairs and Trade portfolio is titled: 'Transfer from the overseas aid programme to fund part of the cost of maintaining Radio Australia Services'.

COMMUNICATIONS AND THE ARTS

Savings from broadcasting and television capital works to offset additional funding provided to the Australian Broadcasting Corporation (ABC) for Radio Australia services

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-3.2	-3.3	-3.4	-3.4

Explanation

These savings represent the Department of Communications and the Arts contribution to the additional funding being provided to the ABC to maintain Radio Australia services. Savings will be achieved by reduced expenditure on discretionary capital works by the National Transmission Agency .

COMMUNICATIONS AND THE ARTS

Savings in transmission costs arising from the reduced broadcasting of shortwave radio services by Radio Australia

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-1.6	-2.0	-3.1	-4.2

Explanation

These savings will be generated by the reduced need for transmission facilities to broadcast Radio Australia services. The ABC's Radio Australia services are transmitted primarily via shortwave transmission facilities owned by the Commonwealth and managed by the National Transmission Agency. The costs of operating the transmission facilities are met directly by the Commonwealth and not by the ABC.

COMMUNICATIONS AND THE ARTS

Reduction in Government subsidy as a result of the sale or wind-up of Australia Television

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-3.5	-3.5	0.0	0.0

Explanation

Australia Television (ATV) was an initiative in 1993 to broadcast English language television to the Asia region. Originally conceived as a self-funding operation financed by advertising and sponsorship revenue, ATV was not able to achieve its commercial targets and currently draws on subsidies from the budget. The government decided in the 1996 Budget that ATV would be contracted out and any net savings would be returned to the Budget.

The subsidy for ATV will now be reduced to reflect expected savings stemming from the sale of ATV, or wind-up of the service in the event that an acceptable sale cannot be arranged.

COMMUNICATIONS AND THE ARTS

Application of the efficiency dividend to the Special Broadcasting Service

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-0.9	-1.6	-2.5	-3.4

Explanation

Savings derive from application of the 1 per cent efficiency dividend to the budget of the Special Broadcasting Service (SBS) from 1997-98.

Application of the efficiency dividend on running costs will bring the SBS into line with other Government agencies.

COMMUNICATIONS AND THE ARTS

Funding for setup costs and new functions of the Australian Communications Authority

Function: Transport and Communication

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
3.6	0.9	0.6	0.6

Explanation

Funds will be provided for establishment costs related to the merger of the Spectrum Management Agency and AUSTEL into a single regulatory body, the Australian Communications Authority (ACA), and to fund costs associated with new legislatively-based functions. The formation of the ACA is part of the Government's telecommunications reforms.

Carrier licence fees are adjusted each year to recover the costs incurred by the ACA in performing its regulatory functions for the previous year. The costs of this measure will therefore be fully offset by increases in carrier licence fees but with a one-year lag.

The corresponding revenue measure for this initiative is titled: 'Cost recovery by AUSTEL to implement telecommunications reform initiatives and for set up costs and new functions of the Australian Communications Authority.' (see Part II).

COMMUNICATIONS AND THE ARTS

Funding for costs incurred by AUSTEL in 1996-97 to implement telecommunications reform initiatives

Function: Transport and Communication

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.6	0.0	0.0	0.0

Explanation

Funds will be provided to AUSTEL for costs incurred in 1996-97 to implement Government telecommunication initiatives leading up to the formation of the Australian Communications Authority. These initiatives include implementation of the Customer Service Guarantee (CSG), administering the revised Telecommunications National Code (TNC) and conducting an inquiry as part of the establishment of the Telecommunications Code of Practice as well as other reforms of the powers and immunities available to carriers, and the establishment of a revised National Numbering Plan and systems for charging for numbers.

A separate revenue measure offsets the impact of this item and is titled: 'Cost recovery by AUSTEL to implement telecommunications reform initiatives and for set up costs and new functions of the Australian Communications Authority' (see Part II).

COMMUNICATIONS AND THE ARTS

Funding for the Australian Communications Authority to enhance administration of cabler licensing

Function: Transport and Communication

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.2	0.2	0.2	0.2

Explanation

The objective of this measure is to improve the administration of telecommunications cabling licensing activities, particularly through enhanced inspection arrangements, as well as enhanced information and education activities, for telecommunications licence holders.

Funding will be provided to the Australian Communications Authority to enable additional tasks to be undertaken in regard to administration of cabler licences, particularly in relation to enhanced inspection and information activities. The costs of this measure will be offset through cabler licence fees which will apply when new licences are granted or existing licences renewed.

The corresponding revenue measure for this initiative is titled: 'Cost recovery for the Australian Communications Authority to enhance administration of cabler licensing' (see Part II).

COMMUNICATIONS AND THE ARTS

Increased efficiency dividend on Communications and the Arts portfolio running costs

Function: Transport and Communication, Education, General Research, Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-3.1	-3.1	-3.1	-3.2

Explanation

Currently most budget-funded agencies pay an efficiency dividend of 1 per cent a year (ongoing) of their total running costs, unless specifically exempted by Cabinet.

This measure recognises that the Communications and the Arts portfolio is making efficiency gains and that some of the returns from these efficiencies will be made available to the Budget for allocation to higher priority areas.

This measure applies a one-off additional 1 per cent efficiency dividend to the base running costs of the Communications and the Arts portfolio in 1997-98. This reduction rolls through to reduce the base running costs of the forward estimates.