



OFFICE OF SENATOR THE HON STEPHEN CONROY

MINISTER FOR BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY
DEPUTY LEADER OF THE GOVERNMENT IN THE SENATE

Funding of SBS

Thank you for your correspondence to the Minister for Broadband, Communications and the Digital Economy concerning funding for the Special Broadcasting Service (SBS) and advertising on SBS television. The Minister has asked me to respond on his behalf.

The SBS is one of Australia's most important cultural institutions. In October 2008, the Australian Government released a public discussion paper aimed at stimulating ideas and comments about the future roles of SBS and the Australian Broadcasting Corporation (ABC). The ideas contained in the 2431 submissions received were invaluable in informing the Government's consideration of funding for SBS and the ABC over the next triennium.

In the 2009–10 Budget, the Government announced additional funding of \$20 million over three years to SBS to enable it to provide up to 50 hours of new Australian content annually.

This funding will allow SBS to build on its established track record for innovative and cutting edge Australian multicultural stories by commissioning a mix of drama, documentary, comedy and entertainment programming.

In the Budget, SBS also received ongoing operational base funding of \$118.7 million in 2009-10; \$120.6 million in 2010-11; and \$123.3 million in 2011-12. In addition to ongoing operational funding, SBS will receive ongoing transmission funding for the triennium of \$249.2 million.

Advertising

SBS is permitted under its legislation to operate on a hybrid funding model which includes up to five minutes of advertising per hour during periods before programs begin, after programs end or during 'natural program breaks'.

In 2008-09, SBS is expected to realise \$68.3 million from the sale of goods and services, primarily television advertising revenue. Along with the free-to-air commercial broadcasters, SBS' advertising revenue is likely to be affected over the short-term as a result of the global economic downturn. A new restriction on in-program advertising would substantially reduce the amount of funding available to SBS to support the provision of high quality and diverse programming. In the current economic climate, it is not proposed to require SBS to change its approach to advertising at this time.

Thank you for bringing these important matters to the Government's attention.

Yours sincerely

A handwritten signature in blue ink that reads "Sophie Mitchell".

Sophie Mitchell
Adviser