



Six Billion Stories and counting...

Corporate Plan 2010-2013

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SBS was established as an independent statutory authority on 1 January 1978 under the Broadcasting Act 1942. In 1991 the Special Broadcasting Service Act 1991 (SBS Act) came into effect, establishing SBS as a corporation.

The SBS Charter is set out in section 6 of the SBS Act:

The principal function of SBS is to provide multilingual and multicultural radio and television services that inform, educate and entertain all Australians and, in doing so, reflect Australia's multicultural society.

In performing its principal function, SBS must:

- contribute to meeting the communications needs of Australia's multicultural society, including ethnic, Aboriginal and Torres Strait Islander communities; and
- increase awareness of the contribution of a diversity of cultures to the continuing development of Australian society; and
- promote understanding and acceptance of the cultural, linguistic and ethnic diversity of the Australian people; and
- contribute to the retention and continuing development of language and other cultural skills; and
- as far as practicable, inform, educate and entertain Australians in their preferred languages; and
- make use of Australia's diverse creative resources; and
- contribute to the overall diversity of Australian television and radio services, particularly taking into account the contribution of the Australian Broadcasting Corporation and the community broadcasting sector; and
- contribute to extending the range of Australian television and radio services, and reflect the changing nature of Australian society, by presenting many points of view and using innovative forms of expression.

Foreword

In 2010, SBS Television celebrates its 30th anniversary – a remarkable milestone for a service many considered an ‘experiment’ in multicultural broadcasting. Over 30 years on television, 35 years on radio and 13 years online, SBS has proved that Australia’s cultural diversity can be a source of inspiration, discovery and national pride.

If SBS was important at the time it was created it is even more so today. There are now twice the number of people who speak a language other than English (LOTE) at home, the range of countries of origin has changed and, naturally, the number of people with a parent or grandparent born overseas has also grown significantly.

This has greatly enriched Australia but also created many challenges. Migrants continue to need support in settling, but governments find it harder to ensure services are provided efficiently and effectively. Australians of all backgrounds deserve to be able to participate in public discourse and to have their cultures represented in our media. However, traditional media struggle to move beyond a monocultural view of the world. This also makes it hard for all Australians to understand and value cultural diversity.

At the same time SBS is affected by profound changes in the media itself. Competition is increasing with the introduction of digital services; the continued roll out of broadband will vastly increase the number and range of services and content available to audiences. Platforms and devices are changing the way people consume media; they increasingly expect content when, in the form and on the device they chose.

In meeting these challenges SBS has identified some key strategic themes that underpin this Corporate Plan:

- to survive in the increasingly complex world SBS must offer distinctive content that is used and valued;
- SBS can look to the Charter to find its point of distinction: portraying points of view and perspectives that no one else does because only SBS truly reflects the multicultural nature of Australian society; and
- technology creates the opportunity to reach more people in different, highly relevant ways.

The creation of an inclusive society is at the core of what SBS does. The Board and Management believe that to be an exciting mission, one that all who work at and with SBS will be sure to endorse.



JOSEPH SKRZYNSKI AO
CHAIRMAN



SHAUN BROWN
MANAGING DIRECTOR

SBS Purpose, Vision and Values

Purpose

SBS's Purpose encapsulates the challenge set for us by the SBS Charter.

“To inspire all Australians to explore and appreciate our multicultural world and contribute to an inclusive society.”

Vision

Our Vision is a statement of our aspirations for SBS.

“To make a vital difference through our distinctive role in Australia's cultural and media landscape.”

Values

1. Commitment to audience

Delivering to and expanding our audiences' interests as well as providing services that are relevant and engaging to our audience.

2. Embracing diversity

Recognising that differences are a source of strength and inspiration.

3. Curiosity and creativity

Thinking and delivering beyond convention - pursuing new ideas and imaginative solutions that support our shared direction.

4. Collaboration and openness

Encouraging open discussion and constructive debate; working together to grow SBS and produce exciting outcomes.

5. Professionalism and responsiveness

Delivering on our commitment to be agile and decisive and upholding the decisions that are made.

6. Honesty, respect, and fairness

Fostering honest, trusting and mutually respectful relationships. Also, being fair, clear and transparent in the way we interact with each other.

Our Services

SBS Television



SBS's national television services – SBS ONE and SBS TWO - broadcast a unique mix of award-winning Australian and international programming across a range of genres. SBS makes or commissions news, current affairs, sport, drama, documentary and entertainment programs. It also sources a wide range of foreign content most of which is in LOTE and much of which is made accessible by subtitling it into English.

SBS draws on the resources of Australia's independent production sector to create most of its original content. Over the course of the last Corporate Plan SBS broadcast over 450 hours of original programming commissioned from the independent production sector. This programming has used traditional forms to explore complex issues in an engaging and entertaining way. *First Australians* was a landmark documentary series covering Indigenous Australian history for the first time. *East West 101* and *The Circuit* were dramas which were both entertaining in form and challenging in the range of stories they told. Other more popular programs, in particular food programs such as *Food Safari*, *My Family Feast* and *Luke Nguyen's Vietnam* tell real stories of the culture and lives of the many peoples who make up Australia today.

Our partnerships with content producers and state and federal government funding agencies harness the talent of the Australian creative community and result in significant investment in the local production sector resulting in jobs, skills development and training.

SBS productions have won more than 600 awards including two Academy Awards. In 2010 alone SBS won four of the nine peer judged awards at the Logies and its production *East West 101* also won major awards at festivals in New York and Los Angeles.

On 1 June 2009 SBS successfully launched SBS TWO a digital free-to-air channel that broadens the range of programming SBS offers its audiences. SBS TWO focuses on documentaries, films and lifestyle programs acquired from all around the world with an emphasis on LOTE and, to reflect the changing demographics of Australia, a focus on content from Asia.

As part of its coverage of the FIFA World Cup in 2010 SBS was one of the first broadcasters in the world to transmit programs in 3D. Fifteen matches were shown live and in 3D across the major population centres in Australia.

SBS Radio



SBS has the distinction of offering the world's most multilingual radio service, broadcasting professional news, entertainment and information services in 68 languages.

Radio's language services constitute a significant resource for Australian language communities and help link these communities with settlement, employment, health and education services.

Our in-language broadcasters bring culturally specific expertise to the art of broadcasting in the Australian environment. In an interconnected world where people can access in-language content from a range of radio, satellite and online services, SBS is the only broadcaster that can engage with such a broad range of cultures and communities in a responsible, inclusive and distinctively Australian manner.





SBS Radio broadcasts two services in Sydney, Melbourne, Canberra and Wollongong and a national service to other centres around Australia including Adelaide, Brisbane, Darwin, Hobart and Perth and major regional centres. SBS also offers digital radio services including world music channels SBS Pop Asia and SBS Chill as well as a simulcast and time shift of SBS's analogue radio service. SBS's radio services can also be accessed online and via the terrestrial digital television service and a digital satellite service.

SBS Online



SBS Online extends SBS's television and radio services by making as much of our unique content (both locally produced and acquired) available to Australian audiences online, on-demand and free.

SBS also creates and seeks out original content across a range of genres including sport, factual, entertainment and in-language to ensure our online platform reflects the uniqueness of our broadcasting services. In 2010, SBS Online reached a significant milestone with more than one million unique browsers visiting www.sbs.com.au per month. That growth continued with record audiences throughout the 2010 FIFA World Cup™ in South Africa.

SBS Online offers content in English and in all of the languages offered as part of our radio service. In 2010 SBS will launch a trial Chinese languages portal (a Virtual Community Centre) that will bring together the best Chinese language content from SBS and around the world. If successful and funded this model will be rolled out for other major language communities.

SBS Subscription Channels

Through its wholly owned subsidiary MSTI, SBS owns



and operates two subscription television channels - World Movies and STVDIO. A major shareholder in World Movies since 1993, SBS became the sole shareholder in 2009. In 2010 SBS launched arts focused channel STVDIO on the Foxtel and Austar platforms. SBS's presence on the subscription platform deepens our range of services and utilises our expertise as a curator of the world's best content, particularly around culture and the arts.

Major Events

SBS has a track record in successfully broadcasting major events. In 2010 SBS undertook its greatest challenge to date when it broadcast the 2010 FIFA World Cup. SBS coverage was the most comprehensive in the world. All games were broadcast live using two television channels, all matches were shown in both high and standard definition, 15 matches were in 3D, all matches were streamed live and radio covered games in 13 languages.

Outlook

Social Fabric

Australia's population will continue to grow and much of this growth will be driven by migration. Furthermore the sources of migration have changed over the years with more people coming from Asia, the Middle East and now Africa. This means more languages and greater cultural diversity.

Diversity has always been part of Australian life. Newer Australians bring their contributions to a society that has been successfully formed around waves of migration. Australian diversity has never been without its conflicts. Misinformation, prejudice and disadvantage can create tensions and can only be overcome by good information, increased familiarity and relevant access to services. Experience shows that, while tensions and apprehensions ease over time and are mostly forgotten, as successive generations find new and different ways of belonging, an inclusive and cohesive society requires ongoing work.

Changes in technology have also changed the migrant experience. Ease of access to home country news, entertainment and information via satellite and the internet often leads migrants to bypass or spend little time with Australian media. This poses significant risks for the health of a democracy which relies on an informed and engaged citizenry.

SBS plays a vital role in creating a media space that allows migrants to engage with Australian society in a culturally and linguistically relevant way. It also helps Australians of all backgrounds to explore and appreciate cultural diversity, thereby helping to create a more inclusive society.

Media Landscape

The media is undergoing a radical transformation. It is characterised by a shift from a world of limited competition where audiences consumed the television and radio programs scheduled for them by major networks to a world of abundance where audiences can view a vast array of content in different forms, on different devices, supplied by many creators and distributors -including people just like them. A number of emerging trends will exacerbate this situation.

First, while digital will replace analogue as the major means of broadcast distribution, internet-based platforms will attract the lion's share of investment

over the next decade. Investment in the fixed and 4G wireless broadband will dramatically improve broadband pricing, accessibility and functionality.

Second, device manufacturers and third party content aggregators will increasingly exploit the opportunities offered by fast broadband to drive their business models. Smart devices and applications will offer more opportunities for Australian audiences to consume content anytime, anywhere, enhancing their experience and increasing their media consumption.

Third, investment in broadband and smart devices will fundamentally shift consumption from a majority linear experience to a majority on-demand experience where audiences will personalise their media usage by curating their own mix of programs. The integration of traditional media content with social media will further increase time spent with media by blurring the lines between personal communications and mass media experiences.

Finally, competition among content providers for audiences will continue to intensify. The traditional industry barriers that have protected broadcasters are likely to be completely dissolved over the next decade. Australian audiences will have access to both Australian and international services and will expect more from the services they are fond of and familiar with.

To survive in this competitive environment it is essential to have an offering that is distinctive and a brand that is highly valued and trusted. Playing in the digital realm involves the risk of getting lost. However, by creating and aggregating unique content in innovative ways, SBS can stand out and attract the support of significant and engaged audiences.

By giving SBS a unique position in the market, the Charter points the way to survival and success in a fragmenting environment. In a world that has moved from scarcity to plenty, SBS aspires to make a vital difference to Australia's cultural and media landscape by providing a relevant service that is uniquely multicultural and Australian.

Strategic Direction

SBS's relevance in a future where audience choice continues to increase will be determined by our ability to make a vital difference to Australia's cultural and media landscape. This difference comes through the provision of services that no other Australian media organisation can or will provide.

To achieve this SBS must deliver a wide range of content across multiple platforms, to many audiences. Some of that content will be targeted to the needs of particular groups or communities, whether by language or subject matter. Other content will be of broader general appeal. SBS will strive to create programs and content which explore issues of cultural diversity in a way that captures the interest and imagination of as many Australians as possible.

SBS will exploit all of its platforms: free-to-air and subscription television, radio and online, while exploring other means of reaching audiences in partnership with other platform providers.

SBS will continue to commission and create high quality Australian drama, documentaries, factual, entertainment and news and current affairs programs. At the same time it will acquire the best programming from around the world and where it is in a LOTE, make it accessible through English subtitles. SBS TWO provides the opportunity to expand the range of international programs and SBS will increase the number of countries and sources from which it acquires content. Assuming spectrum becomes available, the potential for subsequent digital television channels will be explored over the period of the Corporate Plan.

The quality of SBS audio services will be improved on radio and their range will be increased online and, where possible, on the digital radio platform. SBS will place a renewed focus on language services across all platforms and seek to considerably improve service delivery to the largest language groups while also tailoring specific services to small groups with high needs.

Faster broadband speeds will create opportunities for communities to engage with content created by SBS and user generated content from culturally and linguistically diverse (CALD) communities and individuals within them. SBS will actively engage with CALD communities to understand their needs and facilitate their participation in Australian social and political discourse. It will seek to lead debate and exploration of issues concerning multiculturalism, diversity and social cohesion.

SBS will improve the quality of its subscription services, The World Movies Channel and STVDIO, and profits they generate will be reinvested in SBS's public broadcasting services. Opportunities for additional subscription services, consistent with SBS's statutory commitments, will be actively explored.

SBS will continue to look for commercial opportunities consistent with the SBS Act to generate funds to support its activities. It will also continue to look for better and more efficient ways to run its operations to ensure that the maximum amount of resources can be devoted to the creation of content.

SBS Goals

Goal 1: To deepen Australians' engagement with content that reflects our Charter

SBS's objectives are:

- 1.1 To be a catalyst for the national discussion about multiculturalism and social inclusion.
- 1.2 To create more multicultural and multilingual Australian content.
- 1.3 To increase the range and quality of multilingual services across all platforms.

Goal 2: To grow audiences

SBS's objectives are:

- 2.1 For more Australians to use SBS services.
- 2.2 For Australians who use SBS services to use more of them and more often.
- 2.3 For more Australians of CALD backgrounds to use and value SBS language services.

SBS's Core Strategies

Content and Audience

1. Deliver content that drives both audience growth and distinctiveness.
2. Create distinctive commissioned TV content that truly reflects Australia's multicultural society.
3. Develop a content strategy based around "content verticals" where SBS has strength and distinctiveness.
4. Elevate the place of languages across all platforms with emphasis on the largest language groups and those with highest needs.
5. Develop a strategy to attract and retain younger audiences.

Expanding Platforms

6. Strengthen and grow SBS TWO.
7. Launch additional channels on the free-to-air and subscription platforms.
8. Strengthen and grow SBS Online's content offering.
9. Increase SBS's reach by using multiple distribution platforms.

Technology

10. Develop optimal delivery technology for SBS Online.
11. Develop capability to store, retrieve and deliver content to multiple platforms.
12. Introduce new technologies that streamline activities, increase efficiency and improve productivity.

Organisation

13. Develop a high performance, team-based culture.
14. Create a physical work environment suited to a contemporary, multiplatform media organisation.

Resources

15. Grow commercial revenue in a fragmenting market.
16. Deliver on stakeholder expectations to justify support and proper funding.

Performance Measures

Content and Audience

1. Nature and range of SBS strategies that increase awareness of multiculturalism and social inclusion.
2. Percentage of Australians who believe SBS programming to be distinct and diverse.
3. Extent to which audiences engage with SBS programming.
4. Underlying performance in overall and targeted audience size or market share.
5. SBS's reach across TV, Radio and Online.
6. CALD audiences engaging with SBS services.
7. Levels of multilingual programming across TV, Radio and Online.
8. The number of broadcast hours of locally commissioned content.

Expanding Platforms

9. Amount of content made available over multiple platforms and emerging technologies.
10. The number of new emerging platform services evaluated or trialled.

Technology

11. Population reach of TV and Radio digital transmitters and analogue radio transmitters.
12. SBS meets industry standards in transmission with target availability of 99.7% for the main digital service in each market.

Organisation

13. Extent to which communication and collaboration is shaped by SBS's values.
14. Range and number of organisational development initiatives.
15. Improvements in SBS's physical work environment.
16. Compliance with internal guidelines including OHS and SBS Codes of Practice and Editorial Guidelines.

Resources

17. Levels of commercial and other revenue.
18. Level of overhead as a percentage of total expense.

Implementation

Successful implementation depends on the cascading of strategic priorities into all key planning processes. Broadly there are five planning tools that will have varying levels of relevance to staff depending on their role and position in the organisation. An iterative process of planning and review will ensure the Corporation's stated aspirations touch all areas of the organisation.

1. Corporate Plan

Horizon: Three years

Review: 2012/13

Purpose: States SBS's overarching goals and strategies for attaining these. The Corporate Plan sets the parameters for all planning activities across SBS.

2. Strategic Plan

Horizon: Five years

Review: Annually

Purpose: Provides greater specificity on the Corporation's strategies with emphasis on the allocation of resources over the next five years.

3. Divisional Plans and Budget

Horizon: 12 months

Review: Quarterly

Purpose: States the Corporation's and Divisional priorities for the next 12 months and financial resources required.

4. Business Unit

Horizon: 12 months

Review: Quarterly

Purpose: States the Business Unit's priorities for the next 12 months.

5. Individual Performance Agreements (MyCareer@SBS)

Horizon: 12 months

Review: Annual and semi-annual

Purpose: Provide guidance and recognition of individual performance and to identify development opportunities.

Appendices

Appendix 1: Role and Duty of Board

The role and duties of the SBS Board are set out in sections 9 and 10 (1) of the SBS Act.

Role

The role of the board is:

- a. to decide the objectives, strategies and policies to be followed by SBS in performing its functions; and
- b. to ensure that SBS performs its functions in a proper, efficient and economical manner and with the maximum benefit to the people of Australia.

Duties

It is the duty of the Board:

- a. to maintain the independence and integrity of SBS;
- b. to develop and publicise SBS's programming policies;
- c. to ensure, by means of SBS's programming policies, that the gathering and presentation by SBS of news and information is accurate and is balanced over time and across the schedule of programs broadcast;
- d. to ensure that SBS does not contravene:
 - (i) this Act or any other Act; or
 - (ii) any directions given to, or requirements made in relation to, SBS under this Act or another Act; and
- e. to ensure the efficient and cost effective functioning of SBS; and
- f. to ensure that SBS seeks to co operate closely with the Australian Broadcasting Corporation to maximise the efficiency of the publicly funded sectors of Australian broadcasting; and
- g. to be aware of, and responsive to, community needs and opinions on matters relevant to the Charter; and
- h. to develop and publicise SBS's policies on the handling of complaints; and
- i. to ensure that the pursuit by SBS of its subsidiary functions does not detract from SBS fulfilling its Charter responsibilities; and
- j. to develop codes of practice relating to:
 - (i) programming matters; and
 - (ii) if SBS has the function of providing a datacasting service – that service;and to notify those codes to the Australian Communications and Media Authority.

Appendix 2: Community Consultative Measures

In addition to receiving advice from the SBS Community Advisory Committee, SBS undertakes a range of community consultation activities. Community consultation is critical in understanding the needs of CALD communities and the means by which they access and use media in Australia. The outcomes of these consultations play a vital role in the development and future planning of SBS services.

Some of the community consultative measures undertaken by SBS include:

- Board community functions.
- Community consultation on current or proposed services.
- Field or desk research on migration trends or community needs.
- Involvement or partnership with multicultural agencies.
- Involvement in community programs such as the Reconciliation Action Plan.

Appendix 3: Forecast Revenue and Expenditure

Forecast of Financial Performance					
(\$'000)	2010-11	2011-12	2012-13	2013-14	2014-15
REVENUE					
Government Appropriation	210,923	217,148	218,324	215,797	218,581
Advertising and Sponsorship	86,666	92,457	98,040	124,827	109,917
Other Revenue	10,118	9,491	6,082	4,694	3,756
TOTAL REVENUE	307,707	319,096	322,446	345,318	332,254
Equity Injection	5,581	5,013	0	0	0
EXPENDITURE					
Borrowing Cost	911	608	366	228	109
Capital Expenditure	22,784	12,427	14,493	16,327	17,827
ASSESSMENT OF EXEMPT TAXES AND CHARGES	5,221	5,343	5,514	5,691	5,873
Payroll	4,719	4,817	4,963	5,113	5,267
Land Tax	502	526	551	578	606

Appendix 4: SBS Advertising and Sponsorship Guidelines

Section 45 of the SBS Act provides that SBS may broadcast advertisements or sponsorship announcements before or after programs and during natural breaks and that run in total for not more than five minutes in any hour of broadcasting. Revenue from advertisements and sponsorship announcements assists in the funding of programming which fulfils SBS's Charter obligations.

The term 'advertisement' is defined in the SBS Codes of Practice as matter for which SBS receives consideration in cash or in kind, which draws the attention of the public, or a segment thereof, to a product, service, person, organisation or line of conduct in a manner calculated to promote or oppose, directly or indirectly, that product, service, person, organisation or line of conduct.

The term 'advertisement' does not include:

- the broadcasting by SBS of matter of an advertising character as an accidental or incidental accompaniment of the broadcasting of other matter if SBS does not receive payment or other valuable consideration for broadcasting the matter;
- an announcement of not more than 10 seconds duration at the beginning and end of a program giving the name and business of the sponsor of the program;
- a station identification; and
- a program promotion.

The following material is not considered to be advertising or sponsorship for the purposes of calculating the five minute per hour limit:

- publicity for SBS programs, products, services or activities;
- material overlaid on the test pattern, or similar non-programming material;
- community information; and
- allocation of free airtime to political parties.

All decisions regarding commercial revenue are subject to the overriding principle that the integrity of the SBS Charter and SBS's editorial independence are paramount and shall not be compromised in any way.

SBS reserves the exclusive right to determine what is broadcast on SBS services and may reject any advertising or sponsorship announcements.

SBS will not broadcast advertisements on SBS Television that do not fulfil the requirements for the issuing of a Classification Number by Free TV Australia's commercial advice service. All advertisements broadcast by SBS should comply with the Australian Association of National Advertisers 'Advertiser Code of Ethics', the 'Code for Advertising to Children', and the Federal Chamber of Automotive Industries 'Voluntary Code of Practice for Motor Vehicle Advertising'. As an associate member of Free TV Australia, SBS takes account of the 'Classification and Placement of Commercials and Community Service Announcements' contained in Section 6 of the Commercial Television Industry Code of Practice 2004, where it relates to commercials.

Decisions about the placement of advertisements in programs will be considered on a case-by-case basis and will have regard to program content and context. SBS will exercise sensitivity in the placement of advertisements. All advertisements will be clearly distinguished from SBS programming content. Advertisements broadcast by SBS must not be presented as news programming.

Guidelines for the placement of advertisements in SBS Television programs are detailed below. 'Natural breaks' in radio programs are defined as occurring between discrete units of programming containing matter of a similar nature (e.g. a news bulletin, a feature or a talkback session).

Guidelines for the Placement of Breaks in SBS Television Programs

1. Natural Breaks

1.1. Natural breaks in drama and comedy

A break may be taken when:

- there is an obvious and dramatically significant lapse of time in the action; or
- there is a change of scene, with a significant break in the continuity of action.

1.2. Natural breaks in documentaries and information programs

A break may be taken when:

- there is a change of topic;
- there is a change of method or treatment;
- recorded inserts occur in live programs; or
- new participants in a discussion program are introduced.

1.3. Natural breaks in entertainment programs

A break may be taken at the end of an act or at the end of a sequence.

1.4. Natural breaks in programs with prizes

A break may be taken when one competitor leaves the scene and before a new competitor is introduced. Where there is no change of competitor, a break may occur at the end of one complete round of questions.

1.5. Natural breaks in music programs

A break may normally be taken at the end of a musical composition, a set, or between the acts of an extended musical work. Breaks may not be taken between segments of a series of pieces usually heard as a continuous performance.

1.6. Natural breaks in news and current affairs programs

Breaks may be taken between separate reports in news bulletins and program segments in current affairs programs. A program segment may be:

- discrete coverage of a particular topic or issue;
- a report from a particular source or location on an issue;
- defined by a particular method or treatment; or
- a particular topic in an extended interview.

1.7. Natural breaks in sport

Breaks may be taken during periods where viewers do not miss any significant action of the particular sport being televised either live or delayed.

In sport events where regular pauses in play occur, breaks may be taken during those periods, for example at half time or between races, innings or overs etc.

In coverage of long continuous events, breaks may be taken at points where the focus of coverage of the event shifts from one point to another, for example after a resumption of the current placings in a race and before refocusing on a particular section of the race. Breaks may also be taken before or after cut-away discussion or background film insert sequences.

1.8. Natural breaks in outside broadcasts other than sport

Breaks may be taken where the commentator finishes discussing one item in the program and moves to another.

1.9. Natural breaks in acquired programs

Pre-existing breaks that comply with these Guidelines in programs acquired from overseas suppliers and other sources will be considered to be natural breaks.

Acquired programs which do not include pre-existing breaks may be assessed for natural breaks following the definitions in sections 1.1 to 1.8 of these Guidelines.

1.10. Natural breaks in relays of overseas broadcasts

Where SBS relays a live program feed from an overseas broadcaster, the break pattern of the originating broadcaster may be taken.

2. Placement of Breaks in Programs

2.1. Identification of breaks

SBS will assess programs to determine where, and if, there are natural breaks in content according to the definitions under section 1 of these Guidelines. SBS will then decide which of these natural breaks will be used to carry advertising based on the five minute per hour limit and other considerations, including viewer experience.

2.2 Placement of breaks

Editorial considerations and the interests of viewer experience will be taken into account when considering the placement of breaks. Within the definitions of natural breaks and the individual context of the program, the following schedule provides an indicative guide for the placement of internal breaks:

Scheduling Slot	Program Length	Parts / Breaks
Up to 10 minutes		No Break
30 minutes	25 minutes	3 Parts / 2 Breaks
45 minutes	40 minutes	3 Parts / 2 Breaks
60 minutes	52 minutes	4 Parts / 3 Breaks

Where the interests of viewers would be better served by a different format, for example to fit in with a particularly suitable interruption of continuity, there may be deviation from this guide. This will be assessed on a case-by-case basis applying these Guidelines in relation to natural breaks in accordance with the SBS Act.

Appendix 5: Multilingual Subscriber Television Limited

Multilingual Subscription Television Limited (MSTL) is a wholly owned subsidiary of SBS. It has a 100 per cent share in PAN TV, which operates the World Movies Channel and STVDIO on subscription television.

The Corporate Plan recognises a continuing need for consolidation and growth by seeking opportunities provided in a challenging media and telecommunications market. MSTL will remain flexible and continue to build on current strengths, always seeking to complement and extend the range and type of services currently available – in line with the company's Mission Statement.

Joseph Skrzynski AO, Chairman

The MSTL Charter

MSTL is a public company formed as allowed under subsection 52(3) of the SBS Act for the purpose of carrying on the business of establishing and participating in the provision of broadcasting pay television services.* As a wholly owned subsidiary of SBS and subject to the conditions imposed by the then Minister for Communications and the Arts, MSTL is the principal vehicle through which SBS will participate in pay television operations.

The establishment of a separate entity for SBS's involvement in pay television ensures that the commercial activities and the risk associated with such operations do not detract from the SBS free-to-air services.

MSTL will only operate in accordance with the SBS Charter. It will enhance and extend the range of services provided by SBS pursuant to its Charter. Under its Memorandum and Articles of Association, MSTL shall only engage in a business or activity related to, or incidental to the performance of any of the functions of SBS. The SBS Charter sets out what the Australian people through the Parliament requires of the SBS as a national broadcaster.

Mission Statement

In the spirit of the SBS Charter, MSTL will contribute to a more cohesive, equitable and harmonious Australian society through its involvement in the establishment and participation in broadcasting pay television services.* The company will utilise any appropriate technologies to deliver services relevant to the needs of ethnic, linguistic or cultural groups.

Key Result Areas

MSTL has identified the following three areas as significant objectives to be pursued throughout the life of this Corporate Plan.

1. Programs And Audience

In the changing Australian broadcasting and communications environment MSTL will continue to meet the communication needs of people who seek special interest broadcasting services and services in languages other than English. It will continue to explore opportunities to establish and develop quality special interest or niche services and products, utilising appropriate delivery technologies, in response to emerging audience needs and expectations.

Strategies

- Investigate audience requirements to identify potential program markets.
- Continually review television and audio-visual technology developments for audience program delivery services.
- Use available audience information to identify complementary services.

Performance Indicators

- Potential program markets identified and reviewed every 12 months.
- New audio-visual, technology developments identified.
- Revelations of audience research and information.

2. Resource Management

MSTL will work to improve the quality of special interest services. It will continue to ensure the efficient, effective and accountable use of SBS resources. MSTL will endeavour to complement SBS's research, development and exploitation of new technologies.

Strategies

- Ensure PAN TV's facilities and expertise are maximised in the context of their efficiency and marketing potential.
- Maximise the return on investment to SBS.
- Comply with the reporting, disclosure and charging requirements of the Ministerial Approval provided under subsection 52(3) of the SBS Act.

Performance Indicators

- Level of return to MSTL from PAN TV operations.
- The provision of quarterly financial statements to the SBS Board.
- The provision of six-monthly activity reports to the SBS Board.

3. Business Activities

MSTL will continue to explore and develop commercial, business activities related to its Charter. It will also work to maintain and enhance SBS's ability to provide programs and services by protecting sources and achieving savings in the acquisition of programming for SBS's free-to-air services.

Strategies

- Explore the development of new program channels, which complement existing services.
- Investigate further equity involvement in other media and audio-visual activities.
- Maximise the use of expertise and resources made available through SBS to develop complementary business opportunities.

Performance Indicators

- The number of products and services in which MSTL has an interest.
- Level of interest from pay television operators/broadcasters/producers/program makers and other parties in co-productions and collaboration.
- Regular reviews undertaken to identify complementary expertise and resources within SBS.

* "Broadcasting pay television services" means the following: (i) subscription television broadcasting services of a commercial multilingual or multicultural nature; (ii) activities directly related to, or incidental to, subscription television broadcasting services of a commercial multilingual or multicultural nature, including the provision of programming services to holders of licences to provide subscription television broadcasting services or subscription television narrowcasting services granted under the Broadcasting Services Act 1992.

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