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The Parliament of the
Commonwealth of Australia

THE SENATE

Presented and read a first time

**National Broadcasters Legislation
Amendment (Enhanced Transparency)
Bill 2017**

No. , 2017

(Communications and the Arts)

**A Bill for an Act to amend legislation relating to the
Australian Broadcasting Corporation and the
Special Broadcasting Service Corporation, and for
other purposes**

Contents

1	Short title.....	1
2	Commencement.....	1
3	Schedules.....	2
Schedule 1—Australian Broadcasting Corporation		3
Part 1—Amendments		3
<i>Australian Broadcasting Corporation Act 1983</i>		3
Part 2—Application provisions		7
Schedule 2—Special Broadcasting Service Corporation		8
Part 1—Amendments		8
<i>Special Broadcasting Service Act 1991</i>		8
Part 2—Application provisions		12

**A Bill for an Act to amend legislation relating to the
Australian Broadcasting Corporation and the
Special Broadcasting Service Corporation, and for
other purposes**

The Parliament of Australia enacts:

1 Short title

This Act is the *National Broadcasters Legislation Amendment
(Enhanced Transparency) Act 2017*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with

column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Australian Broadcasting Corporation

Part 1—Amendments

Australian Broadcasting Corporation Act 1983

1 Subsection 3(1)

Insert:

indexation factor, for a reporting period, has the meaning given by section 80B.

index number, in relation to a quarter, means the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published by the Australian Statistician in respect of that quarter.

reporting period means the Corporation's reporting period (within the meaning of the *Public Governance, Performance and Accountability Act 2013*).

2 Section 80 (heading)

Repeal the heading, substitute:

80 Matters to be included in annual report—general

3 After section 80

Insert:

80A Matters to be included in annual report—salaries of senior employees etc.

- (1) The Directors must include in each annual report on the Corporation given to the Minister under section 46 of the *Public Governance, Performance and Accountability Act 2013* for a period:
 - (a) if the total amount of salary and allowances paid by the Corporation during the period to an employee of the

Corporation was more than the applicable reporting threshold for the period—the following information:

- (i) the name of the employee;
- (ii) that total amount;
- (iii) the position or positions held by the employee during the period; and

(b) if:

- (i) an individual is or was a party to one or more on-air talent contracts; and
- (ii) the total amount paid by the Corporation during the period to the individual under those contracts was more than the applicable reporting threshold for the period;

the following information:

- (iii) the name of the individual;
- (iv) that total amount;
- (v) for each contract—the nature of the services performed for the Corporation by the individual during the period under the contract.

- (2) For the purposes of paragraph (1)(a), if the employment of an employee is terminated, disregard any lump sum amounts paid in respect of the employee's unused leave entitlements.

On-air talent contract

- (3) For the purposes of paragraph (1)(b), an ***on-air talent contract*** is a contract (other than a contract of employment) entered into between the Corporation and an individual under which the individual performs services for the Corporation, where those services consist of, or include:

- (a) appearing on a television program; or
- (b) speaking or performing on a radio program.

Translation of amounts into Australian currency

- (4) For the purposes of paragraphs (1)(a) and (b), an amount in a foreign currency is to be translated into Australian currency.
- (5) The amount of foreign currency is to be translated to Australian currency at the exchange rate applicable at the time of payment.

Applicable reporting threshold

- (6) For the purposes of paragraphs (1)(a) and (b):
- (a) the ***applicable reporting threshold*** for the first reporting period beginning after the commencement of this subsection is \$200,000; and
 - (b) the ***applicable reporting threshold*** for a later reporting period is the amount calculated using the formula in subsection (7).
- (7) The formula mentioned in paragraph (6)(b) is:

Previous applicable reporting threshold × Indexation factor

where:

indexation factor means the indexation factor for the reporting period.

previous applicable reporting threshold means the applicable reporting threshold for the previous reporting period.

80B Indexation factor

- (1) For the purposes of this Act, the ***indexation factor*** for a reporting period is the number calculated, to 3 decimal places (rounding up if the fourth decimal place is 5 or more), using the formula:

$$\frac{\text{Index number for the reference March quarter}}{\text{Index number for the base March quarter}}$$

where:

base March quarter means the last March quarter before the reference March quarter.

reference March quarter means the last March quarter before the reporting period.

- (2) Subject to subsection (3), if (whether before or after the commencement of this section) the Australian Statistician has published or publishes an index number in respect of a quarter in substitution for an index number previously published in respect of

that quarter, the publication of the later index number must be disregarded for the purposes of this section.

- (3) If (whether before or after the commencement of this section) the Australian Statistician has changed or changes the index reference period for the Consumer Price Index, then, for the purposes of the application of this section after the change took place or takes place, regard must only be had to the index number published in terms of the new index reference period.

Part 2—Application provisions

4 Application of amendments—annual report

Section 80A of the *Australian Broadcasting Corporation Act 1983* (as amended by this Schedule) applies in relation to an annual report for a period beginning after the commencement of this item.

Schedule 2—Special Broadcasting Service Corporation

Part 1—Amendments

Special Broadcasting Service Act 1991

1 Section 3

Insert:

indexation factor, for a reporting period, has the meaning given by section 73B.

index number, in relation to a quarter, means the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published by the Australian Statistician in respect of that quarter.

reporting period means the SBS's reporting period (within the meaning of the *Public Governance, Performance and Accountability Act 2013*).

2 Section 73 (heading)

Repeal the heading, substitute:

73 Matters to be included in annual report—general

3 After section 73

Insert:

73A Matters to be included in annual report—salaries of senior employees etc.

- (1) The annual report prepared by the Board and given to the Minister under section 46 of the *Public Governance, Performance and Accountability Act 2013* for a period must include:
 - (a) if the total amount of salary and allowances paid by the SBS during the period to an employee of the SBS was more than

the applicable reporting threshold for the period—the following information:

- (i) the name of the employee;
- (ii) that total amount;
- (iii) the position or positions held by the employee during the period; and

(b) if:

- (i) an individual is or was a party to one or more on-air talent contracts; and
- (ii) the total amount paid by the SBS during the period to the individual under those contracts was more than the applicable reporting threshold for the period;

the following information:

- (iii) the name of the individual;
- (iv) that total amount;
- (v) for each contract—the nature of the services performed for the SBS by the individual during the period under the contract.

- (2) For the purposes of paragraph (1)(a), if the employment of an employee is terminated, disregard any lump sum amounts paid in respect of the employee's unused leave entitlements.

On-air talent contract

- (3) For the purposes of paragraph (1)(b), an ***on-air talent contract*** is a contract (other than a contract of employment) entered into between the SBS and an individual under which the individual performs services for the SBS, where those services consist of, or include:

- (a) appearing on a television program; or
- (b) speaking or performing on a radio program.

Translation of amounts into Australian currency

- (4) For the purposes of paragraphs (1)(a) and (b), an amount in a foreign currency is to be translated into Australian currency.
- (5) The amount of foreign currency is to be translated to Australian currency at the exchange rate applicable at the time of payment.

Applicable reporting threshold

- (6) For the purposes of paragraphs (1)(a) and (b):
- (a) the ***applicable reporting threshold*** for the first reporting period beginning after the commencement of this subsection is \$200,000; and
 - (b) the ***applicable reporting threshold*** for a later reporting period is the amount calculated using the formula in subsection (7).
- (7) The formula mentioned in paragraph (6)(b) is:

Previous applicable reporting threshold × Indexation factor
where:

indexation factor means the indexation factor for the reporting period.

previous applicable reporting threshold means the applicable reporting threshold for the previous reporting period.

73B Indexation factor

- (1) For the purposes of this Act, the ***indexation factor*** for a reporting period is the number calculated, to 3 decimal places (rounding up if the fourth decimal place is 5 or more), using the formula:

$$\frac{\text{Index number for the reference March quarter}}{\text{Index number for the base March quarter}}$$

where:

base March quarter means the last March quarter before the reference March quarter.

reference March quarter means the last March quarter before the reporting period.

- (2) Subject to subsection (3), if (whether before or after the commencement of this section) the Australian Statistician has published or publishes an index number in respect of a quarter in substitution for an index number previously published in respect of

that quarter, the publication of the later index number must be disregarded for the purposes of this section.

- (3) If (whether before or after the commencement of this section) the Australian Statistician has changed or changes the index reference period for the Consumer Price Index, then, for the purposes of the application of this section after the change took place or takes place, regard must only be had to the index number published in terms of the new index reference period.

Part 2—Application provisions

4 Application of amendments—annual report

Section 73A of the *Special Broadcasting Service Act 1991* (as amended by this Schedule) applies in relation to an annual report for a period beginning after the commencement of this item.