

DEFINING AND PLANNING FOR DIVERSITY

A PRESENTATION GIVEN BY TIM O'KEEFE, MEMBER OF THE AUSTRALIAN BROADCASTING AUTHORITY, TO THE CLC 'TOWARDS 2000' ONE DAY RADIO CONFERENCE ON 24 FEBRUARY, 1993.

My presentation on defining and planning for diversity is designed to provide both a definition of the objective of diversity of broadcasting services as stated in the Broadcasting Services Act, and, in the main, to explain how the ABA might plan to achieve such diversity of services.

DEFINING DIVERSITY

The Broadcasting Services Act includes in its objects encouragement of diversity in control of the more influential broadcasting services and promotion of diverse range of radio and television services offering entertainment, education and information.

Diversity of ownership of the more influential media is fairly well explored in the Act, so in the limited time that I have I will concentrate on the object of diversity in the range of services.

It is hard to imagine when the object of the Act for a diverse range of services could ever be achieved. In a complex society, diversity, like choice, is something that you can never have enough of. However I believe that the diversity of range of services should ideally mirror the diversity of the range of people and cultures within Australian society.

It could be argued that this object of the Act has already been substantially achieved. We have a well developed broadcasting system that already offers diverse programming. We have national broadcasting services, offering diverse programming with radio national, parliament, regional radio, FM classical music, JJJ and SBS ethnic radio. We have commercial radio that offers a popular range of services with personality and music programming appealing to various marketing clusters. We have community radio that is programmed to reflect the particular concerns and interests of local and special communities. In recent years community radio was the fastest growing, in numerical terms, of the three sectors, with the number of new services increasing from 56 services in 1985 to currently 108.

That's a good basis for further increasing diversity of radio services.

HOW DOES THE ABA PLAN TO ACHIEVE MORE DIVERSITY?

Increased diversity of services will only become a reality when broadcasting legislation, programming ideas and technology are actually on the same track heading in the same direction. Let's look at each of these three ingredients for diversity.

LEGISLATION

Object (a) of the Act is to 'promote the availability to audiences throughout Australia of a diverse range of radio and television services offering entertainment, education and information'.

Object (f) is to promote the provision of high quality and innovative programming by providers of broadcasting services.

The Parliament also intends the ABA to 'readily accommodate technological

change' and to encourage '(i) the development of broadcasting technologies and their application and (ii) the provision of services made practicable by those technologies to the Australian community'.

The Parliament also recognised that diversity of programming does not just happen because the legislators want it to happen. There is need to attract investment into the radio industry to ensure that the potential providers of diversified programs have some level of confidence in the future direction of the industry. In fact object (b) of the Act is 'to provide a regulatory environment that will facilitate the development of the broadcasting industry in Australia that is efficient, competitive and responsive to audience needs'. The Parliament expects the ABA to 'produce regulatory arrangements that are stable and predictable' [s5(b)(i)].

With these objects in mind it was logical for the planning of new radio services to come under the ABA's um-



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brella and that the process of planning should include wide public consultation. So for the first time the public can have input in the development of the radio industry and suggest ways to increase diversity.

So there is no doubt that the legislation is intended to be on the 'diversity track'.

PROGRAMMING IDEAS

NARROWCASTING

Since the commencement of the ABA, we have seen an unprecedented number of new ideas for radio services. Narrowcasting has offered an avenue for increased diversity of services not facilitated by the old Broadcasting Act. With its power to 'drop through' frequencies for a period of time for general or specific purposes, the ABA has been at the centre of the development of narrowcasting. Applications to the ABA to define a program proposal as either narrowcasting or broadcasting have given the ABA a view to future services. These opinions remain confidential until the service is on air so the idea is protected.

This is the regulator and the people with ideas for diversified services being on the same track, moving at a faster pace than any other broadcasting regulator has had to contend with. In five months, there have been over 130 transmitter licences issued for narrowcast services. In the main they are for low power tourist information services and wide coverage racing information services. These are diversified services satisfying the needs of two special interest groups - tourists and punters. Other ideas have been put to the ABA that include programs that are of limited appeal and/or are targeted to other special interest groups. In fact in Port Augusta, a group is likely to provide an Aboriginal narrowcast service.

Of course we have not been able to give a positive category opinion to every narrowcast applicant. There are some programming ideas being put to us that we believe have a more broad than narrow appeal - e.g. a service for people who like 1960s music or a music based service for people who are retired or about to retire. We believe that for narrowcasting to prosper there should be a distinction between commercial broadcasting and open narrowcasting. This is part of the ABA's

role to 'produce regulatory arrangements that are stable and predictable'.

COMMERCIAL BROADCASTING

The commercial radio industry has not been sitting on its hands as far as seeing the demand for increased diversity. With the relaxation of ownership and control rules for radio, we have already seen increased diversity in Sydney and the Gold Coast. The almost automatic allocation of additional broadcasting licences to solus commercial radio market operators will also add much needed diversity in regional markets. Commercial operators are also able to provide narrowcast services to audiences that are more specialist than their mainstream audience. Foreign ownership of commercial radio may also increase diversification of programs.

By allowing current commercial radio operators to expand their broadcasting business, the parliament has ensured that the more progressive operators are also on this 'diversity track'.

NATIONAL BROADCASTING

The Minister has indicated that he would like advice from the ABA as to whether there is sufficient spectrum to allow six national services to be accommodated in each region of Australia. He has also made provision for a second national SBS radio service to some cities and set a timetable for its establishment. If funds are available, the expansion of national services will offer diversity to regional areas of Australia where it may not be viable for commercial or community services to be extended.

COMMUNITY BROADCASTING

With the relaxation in sponsorship rules, community broadcasters may be able to offer more diverse programs. A more secure revenue base will enable more talent time to go into programming rather than cake stalls. The second SBS ethnic radio frequency may also free up some time on community stations previously allocated to ethnic groups.

CODES OF PRACTICE

The development of individual codes of practice for each of the industry sectors should also increase diversity.

The 'one size fits all' program standards of the ABT may have hindered program diversity. Now the Federation of Australian Radio Broadcasters (FARB) is able to develop codes that are tailored for commercial radio and the Community Broadcasting Association of Australia (CBAA) is able to develop codes for community radio. These codes will recognise the differences in the two sectors. This will help the two sectors to become more diverse.

PUBLIC SUBMISSIONS TO PLANNING PROCESS

What does the general public want? We have just received over 400 submissions from around Australia on what the ABA's planning priorities should be over the next three years. The majority of the submissions was from regional areas wanting priority given to provision of general and specialist (Christian) community radio services, to expansion of SBS TV reception, to improvement in reception of ABC and commercial services and to early consideration of 39 additional licences for regional commercial operators. Very few submitters wanted priority given to additional commercial radio services in metropolitan markets. Not surprisingly commercial radio operators believe that this should be low on the list of priorities.

'DROP THROUGH' PROVISION

We have noted that there is demand for use of available FM frequencies in metropolitan markets for narrowcast services. If metropolitan markets are low on the priorities list for licence area plans, in the meantime available frequencies could be 'dropped through' for narrowcast purposes. This could have the effect of immediately increasing the diversity of services in low priority markets while high priority markets are being considered for additional national, community and commercial services. So we have the legislation and the people with ideas (including current and potential operators) on the diversity track. But what about the technology?

TECHNOLOGY

This is still a limiting factor and seems likely to be for a least another five to ten

years. In some markets the additional FM frequencies will become available with band II clearance. Within the current planning arrangements, demand for scarce frequencies is being satisfied by restricting services to low power transmitters. This allows greater re-use of frequencies.

There will be an expansion in the technology that will be available to the broadcasting planners and the people with programming ideas within a few years.

EXPANSION OF TECHNOLOGY

The introduction of FM into the Sydney market in the 1970s more than doubled the number of available broadcast channels.

Assuming that there is available transponder space for satellite pay audio/radio (ancillary to satellite pay TV), half a transponder could deliver 30 audio channels to homes of subscribers of pay TV at marginal cost by 1995. There are some limitations. Subscribers may not be able to look at pay TV and listen to pay radio (in another part of the house) at the same time if the channel they are watching is beaming from a different transponder. Also subscribers will not get a service outside their house. Whether satellite pay audio services should be included as technology giving diversity to radio services is debatable. MDS could supply a similar pay audio/radio service sooner than satellite.

It is predicted that by 1997 DAB will be able to offer a further 30 Sydney wide services and also as many as 48 limited coverage services scattered around the suburbs. This could mean that in any one location within Sydney, a listener could hear 42 services (30 high power and 12 low power). This is just one of many possible scenarios. One scenario is to have a mix of wide coverage (e.g. all of Sydney) and limited coverage services (suburban). It is predicted that in place of every wide coverage DAB service, it is possible to plan four to five limited coverage services for Sydney. About 42 wide coverage services could be possible for Sydney. Wide coverage services for Sydney may limit the number of services provided to surrounding areas - Wollongong, Gosford and the Blue Mountains. The planning of wide coverage services

versus limited coverage DAB will be important considerations in planning diversity. There is no doubt DAB offers far more flexibility for planners and broadcasters.

By 2000, a further 12 DAB channels could be delivered nationally from satellite direct to home and car. The cost of transponder space may limit the expansion of DAB by satellite.

In summary, within the 40 MHz allocation in the region of 1.5GHz (L Band), 42 high power terrestrial DAB channels and 12 (national) satellite channels could be delivered to Sydney. A number of these channels have been available to Sydney at the expense of surrounding areas. Just as the configuration between high power and low power will be important for broadcast planners, so will the numbers to be allocated to terrestrial and satellite channels.

By 2000, optical fibre cable will have passed into most homes and the number of direct-to-home connections will be growing. This will allow, for example, recording companies to sell product by cable with the subscriber recording the latest album onto digital audio tape.

WHEN WILL THERE BE A DIVERSITY SERVICE ON DAB?

I have previously been talking about the diversity of technology that will be available, but when will the new digital technology be actually used to provide diverse services? It will be a 'chicken and egg' scenario with DAB. DAB receivers in the market will only increase with programs being provided and an increased number of programs will be provided when there are enough sets in use to sell the audience to advertisers.

Most people would have believed that market capture by compact discs has been rapid. Yet the market capture by CDs took ten years. CDs still have not captured the mobile market (i.e. in vehicles), which is important to radio. It may take another three to five years for Toyotas, Fords and Holdens to have CD players as standard equipment. You may remember how long it took to have FM radios as standard equipment in cars.

For the consumer to purchase a DAB radio or to purchase an in-car installation to receive satellite radio, there must be

programming on DAB that is not readily accessible elsewhere. It also seems logical to allow current broadcasters to simulcast on AM or FM and DAB. Improved quality reception of these programs will be an incentive for receivers to be purchased. However, affordable DAB receivers in Australia will only be a reality when the North American and European DAB consumer markets have developed. With the US considering a restrictive 'in band' approach to DAB, Australia's opportunity for widely received DAB services may be later rather than sooner.

Australia's DAB committee believe that it will be at least 10 years and possibly 20 years before DAB will replace current analogue AM/FM broadcasting.

SUMMING UP

We are not waiting for DAB to assist the increased diversity of radio services. With an open planning process and more efficient allocation and use of AM and FM frequencies, we will hear:

more community radio services, especially in regional markets an additional commercial radio service in markets that currently only have one service (s.39 services) ;

- expansion of ABC and SBS national radio services to regional areas;
- niche commercial radio services with dual station ownership and foreign investment;
- development of suburban commercial radio availability of mainly temporary frequencies for narrowcasting by way of 'dropping through';
- specific targeting by narrowcasters of special interest groups and programs of limited appeal; and
- an increased number of ethnic radio services.

The introduction of pay TV into homes could also put diversified radio programs into homes of subscribers by way of satellite, MDS and cable.

The ABA's task is to meet the objectives of the Act while producing regulatory arrangements that are stable and predictable. A gauge of our success will be the further development of the broadcasting industry and diversity of programs provided.

