

Supplementary Licence Seminar

The Federal Government's attitude to the question of ownership of radio and television stations was outlined at a recent seminar.

The Minister for Communications, Mr. Michael Duffy, addressed the Supplementary Licence Seminar held by the Federation of Australian Commercial Television Stations (FACTS) in Sydney on February 2, 1984.

Here is an extract from that address:

"As you know, the Government sees dangers to the Australian community in the concentration of ownership in too few hands. We are committed to the proposition that the greatest possible diversity of choice in programming ought to be available to audiences, wherever they live.

"We are not going to achieve that diversity of choice if one individual or company controls all the media in particular areas. True diversity of choice requires that at least some media outlets are truly competitive and independent of each other.

"When we were in Opposition we argued that a serious flaw in the then government's supplementary licence scheme was that it had the potential to worsen the concentration of media ownership in a number of regional areas. In this I am referring to situations when a town's television stations, radio stations and press might be controlled by the same people. There is a real cause for concern even when those people own most of the media.

"You will say to me — and you will be right — that the sheer economics of your industry sometimes make it impossible to have services in small towns and cities without such concentration of ownership and control. We accept this and where it is unavoidable, we do not propose to take corrective action. However, we will seek to take corrective action wherever possible. For example:

- My Department, in processing applications for supplementary licences, is giving priority to those

intended to serve areas which are also the subject of expressions of interest for independent commercial services.

- THE Broadcasting and Television Act is being amended so that it will be an explicit requirement that concentration of media ownership be taken into account by the Tribunal in decisions about granting supplementary licences or in recommending that I invite applications for independent licences.

"While I am discussing questions of ownership let me clear up a particular point. In my recent speech to the parliament, you will recall that I left the door open for further discussion regarding a possible future offer of two supplementary licences. It is important to stress here that such an offer would only emerge from a

future review of the supplementary licence scheme.

"I should make it quite clear that the granting of two supplementary licences to one station is not contemplated in this current round of applications. We want to get the major exercise up and running before looking closely at that issue.

"In the few weeks since my ministerial statement, some 13 television stations and 11 radio stations have lodged expressions of interest in supplementary licences. This is a faster take-up rate than we expected and is encouraging, especially from the viewer and listener's point of view.

"It is also relevant to the development of supplementary licences that we intend to introduce service-based licensing and regulatory legislation.

"Under a service-based approach, a licensee will be authorised to provide a service to a community, or a number of communities, in a specified area — just as it will be authorised with regard to a supplementary licence. This is a clear departure from the existing basis, under which each transmitting facility is licensed separately and we have 14 different types of licence. Licensees will, of course, be obliged to provide adequate and comprehensive services to communities in their service areas.

"Most of you here today would be aware that my Department in consultation with the broadcasting industry, has developed guidelines for the definition of service areas. Formal negotiations are now under way with individual stations. To date, ten

CONTINUED ON PAGE 2

IN THIS ISSUE

- The Minister for Communications (Mr Duffy) addresses a supplementary licence seminar — extract on radio & TV ownership 4 CLB—1
- Department of Communications review of "Localism" policy in radio and television 4 CLB—2
- Wireless Telegraphy Act under challenge 4 CLB—2
- Department of Communications directory 4 CLB—3
- Books 4 CLB—4

LOCALISM POLICY UNDER SCRUTINY

In late December, the Minister for Communications, Mr Duffy, announced the Government would conduct a wide-ranging review of the policy of localism in Australian radio and television.

The Review is examining the extent to which localism should be maintained, and in what form, in the continuing development of the Australian broadcasting system.

While localism is of most significance to commercial broadcasters, the Review will also examine its relevance to other broadcasters (such as public radio stations) and the extent to which localism has created, or might create, a barrier to the establishment of new broadcasting services.

The Review is being conducted by Mr James Oswin, a senior officer with the Department of Communications, and is expected to be completed by the middle of the year. The findings are expected to form the basis of a Ministerial Statement and policy guidelines, to be issued by the Government in the second half of 1984.

The essence of localism is that stations are licensed to cater, as far as practicable, for the particular needs and interests of the audience within their respective service areas. The policy was designed to encourage the development of local programming (whether produced or purchased by stations), local ownership or control of stations and local advertising.

MAIN ISSUES

The main issues being examined by the Review are:

- A: To what extent should radio and television broadcasters:
- (i) broadcast locally produced programming;
 - (ii) broadcast locally originated programming;
 - (iii) broadcast local advertisements;
 - (iv) broadcast advertisements sold by an outside source; and

(v) be owned or controlled by members of the local community?

B: To what extent has the policy of localism created, or might in future create, a barrier to the establishment of new broadcasting services;

C: What impact will the introduction of satellite-related broadcasting services and supplementary licences have on the localism policy?

The issues are expressed in terms most relevant to commercial broadcasting, but are intended to apply, as appropriate, to the other broadcasting sectors and to metropolitan and non-metropolitan stations.

Written submissions must be lodged by 31 March 1984. Oral discussions with those making submissions may be sought.

An information paper is available from the Review, which can be contacted at the Department of Communications, P.O. Box 970, North Sydney, NSW 2060. (Telephone: (02) 922 9111).

Wireless Telegraphy Act under challenge

The validity of the Wireless Telegraphy Act 1905 is being questioned following the seizure by the Department of Communications of microwave links allegedly used to transmit television signals from TCN-9 Sydney to QTQ-9 Brisbane unlawfully.

The existence of the links was brought to public attention by Ian Reinecke and Julianne Schultz in *The Phone Book* (1983). According to the authors, the signal was picked up off air outside Sydney and transmitted via a series of microwave dishes erected on poles and towers located about 50 kilometres apart on high points of the terrain to Brisbane.

In 1983, officers of the Department's Radio Frequency Management Division seized two of the links, one just outside Sydney and one in the Razorback area.

CONTINUED ON PAGE 3

FROM PAGE 1

stations have applied to the Department to have their service areas defined.

"Let me stress that both the application for supplementary licences and the definition of service areas are two-way processes. The Department will not be combining the roles of advocate and judge, but will be very dependent upon the industry for the technical information mentioned in my ministerial statement.

"So far as the definition of service areas is concerned, cooperation between the licensee, neighboring licensees, and the Department will be essential. Unless it occurs, we will all be frustrated by irritating delays while papers are pushed backwards and forwards.

DEPARTMENT'S PRIORITIES

"The Secretary of the Department of Communications, Mr. R.B. LANSDOWN, addressed the seminar, and, in doing so, summarised priorities of his Department in processing supplementary licence applications and associated service area definition proposals:

- ABSOLUTE priority will be given to processing supplementary licence applications for areas where formal Expressions of Interest from potential independent commercial licenses have been received and substantial concentration of media ownership and control already exists.
- THOSE applications forming the second priority grouping will be from areas where there is also an Expression of Interest for an independent commercial service.
- GENERALLY speaking, priority applications will be processed in accordance with the date they are accepted by the Department.
- THESE priorities can, of course, always be altered by the Minister pursuant to his planning powers. The Department will ensure within this priority framework that lower priority applicants are not unduly delayed by the system, which if rigidly applied could result in their being constantly pre-empted.