



COMMUNITY
BROADCASTING
ASSOCIATION OF
AUSTRALIA

5 May 2016

Senator Linda Reynolds and committee members
Senate Standing Committee on Environment and Communications
Parliament House
Canberra ACT 2600

Email: ec.sen@aph.gov.au

Dear Committee

Media digitisation and the importance of community radio services

I write in relation to the Broadcasting Legislation Amendment (Media Reform) Bill 2016.

Thank you for the opportunity for the CBAA to present and take questions at the hearing on 29 April. I trust you will accept this letter as supplementary.

At the hearing the CBAA outlined the important role community radio services play in providing localism and diversity in media content available to the public on a free-to-air basis.

The Bill under consideration by the Committee has been prompted by the disruption caused by digitisation of media, and is positioned as a first step.

At the hearing we asked that the Committee affirm **its** support for the on-going inclusion of community radio services in the transition to digital. Existing legislation reserves community radio service capacity on digital multiplexes. Services are on-air in metropolitan areas and extension to regional areas is currently being planned.

Since the hearing, the commercial television and radio broadcasters have been successful in making the case for reduced licence fees. The Federal Budget, 3 May, indicates there is to be an immediate 25% reduction in fees, with further reductions under consideration.

Quite correctly, commercial broadcasters pay Government a fee for their private use of a public resource, radio-frequency spectrum, for private commercial gain. By a fee reduction the Government is sacrificing revenue and assisting commercial service owners.

At the same time, we are alarmed by a drop in Federal Budget funding support from existing 2015-16 levels, for non-profit community radio broadcasting.

Now that an election is imminent, it may be that the Bill will need to be re-presented to both houses. We are unsure what that might mean for the status of this Committee's report. Even so, we would ask that, as a Committee and as individual senators, you make every effort to **endorse** the role of community radio broadcasting.

There is a long-standing Government support to ensure community radio broadcasting access to digital platforms, and that access by on a basis affordable to the community broadcasters.

Alongside changes to media legislation being considered, we ask that the Committee endorse that capacity be retained for digital community radio services coupled with funding support, at least at existing 2015-16 levels, but also to account for future regional extension.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Phillip Randall', written in a cursive style.

Phillip Randall
President

The Senate Environment and Communications Legislation Committee:
Inquiry into the *Broadcasting Legislation Amendment (Media Reform Bill) 2016 [Provisions]*.

Thank you for the opportunity to present at today's hearing.

I'm Jon Bisset CEO of the Community Broadcasting Association of Australia (CBA), the peak membership body for community broadcasters nationally, and with me are David Sice and Kath Letch.

Overview

- Community broadcasting is a large, diverse, independent and not-for-profit broadcast and media sector.
- Community radio services play an important role in the Australian media landscape - reflecting a broad range of community interests and producing high levels of local content - and the sector is recognised internationally as one of the most successful examples of community media.
- Australia's first community radio station was licensed in 1972 and the sector has grown to 450+ community radio services, ranging from metropolitan-wide services in capital cities to remote Indigenous services - with over 70% of services operating in regional, rural and remote areas.
- Community radio is as broad and diverse as the Australian community itself. It includes Indigenous services, youth, ethnic and multicultural, educational, Christian, Muslim, community access, seniors, LGBT+, contemporary and classical music, arts, the Radio Reading Network for people with a print disability and a broad range of general community services.
- In regional and rural areas general community stations engage a wide community network with programs and content produced and presented by members of the local community and reflecting relevant local interests, news and information. They are often the 'cultural glue' in smaller communities.
- Community radio services make a substantial contribution to the profile of local Australian artists and musicians, and are an important part of cultural content production and creative communities that support innovation, community development and social engagement.
- Community broadcasting services support training and vocational skills development in metropolitan and regional areas and across all age groups - and have long been recognised as a 'feeding ground' in the media, arts, technology and cultural industries.
- Community broadcasters play a vital role in maintaining genuine media diversity, especially in regional areas, and are a key part of the mix of primary radio services.
- More than 5 million people tune in to community-owned and operated radio services across the country each week – or 27% of the Australian community aged 15+.
- As the Prime Minister, when Minister for Communications, summarised: '*Community radio is a very valuable platform to communicate to our constituents and is often the only media available to regional and remote communities*'.

Media reform, regulation and technology – and the role of community broadcasting

- As we are all aware, there has been enormous change in broadcast and media technologies over the last decade or so.
- That's driving media reform, spectrum review, the recent Inquiry into broadcasting, online content and live production to regional and rural Australia by the House of Representatives, and review of media and communications legislation and regulation.
- All media is now operating in a multi-platform environment and community broadcasters are providing free-to-air broadcast services in analogue and digital where it is available, online audio streaming, podcasts, catch-up radio, online information and social media content.
- The Broadcast Services Act and Codes of Practice enshrine fundamental principles that guide the operation of community radio stations as free-to-air and freely available not-for-profit public broadcasting services.
- The CBAA supports the role of the media regulator, the ACMA, across all media sectors and this ensures community broadcasting licensees adhere to the objectives of the Act and community engagement principles in their services and operation.
- A regulated broadcast environment across the community, commercial and national broadcast sectors has provided a diverse, open, democratic and pluralistic media structure that supports a vibrant and tolerant Australian culture.
- The potential for media ownership reforms, as expressed in the *Broadcasting Legislation Amendment (Media Reform Bill) 2016*, has led to concerns about the future of local broadcasting and content, both in radio and television, including a potential loss of local newsroom and content production, local employment and local voices.
- We appreciate the committee is considering measures to ensure that doesn't happen - and the role of local community broadcasting services is **important to recognise** - and to be acknowledged and supported by Government - in the context of potential reforms.
- There are multiple community radio services in every locality, all with local production and studio facilities producing local news, information and content – local voices and local information are identified as the primary reasons for listening to community radio in National Listener Surveys conducted by the CBAA over the last 15 years.
- In addition, Indigenous services are first line services to Indigenous First Nation communities across metropolitan, regional and remote areas.
- Community radio stations provide an extremely high level of social return for a low level of government investment. \$16.88m was delivered to the Community Broadcasting Program in 2015/16, administered through the Department of Communications.
- Community stations are largely self-funded through community support via sponsorship and subscriptions and operate with the support of over 20,000 volunteers nationally.
- Community radio produces an average 142 hours of locally produced content each week – one third of community stations report they are the only radio broadcaster producing local programming in their area – and 42% of regional and rural stations are operated entirely by volunteers.

- 30% of stations produce in-house news. In addition the CBAA distributes a national news service (NRN) produced at 2MCE in Bathurst in partnership with Charles Stuart University.
- An average of 39% of all music programming on community radio is Australian music and stations also produce a high level of arts and cultural content and information.

Media digitisation

- Radio is well down the track of refashioning itself in a digital and multi-platform environment – analogue only broadcasting is not the future.
- Radio is long-form listening – on average 12 hours per week.
- In major cities, where it is available, 24% of all radio listening is now by free-to-air digital radio and a further 11% by digital online, either via fixed broadband or on mobile.
- These are significant figures and will increase as digital radio becomes more prevalent in cars and in mobile broadband devices.
- Government has a long-term public policy commitment to ensure access to digital platforms for community radio, and that access is on a basis affordable to community broadcasters.
- The policy position of digital inclusion for community radio is critical to the future of community services.
- That policy is implemented in 2 ways:
 - digital radio legislation provides that digital multiplex capacity is reserved for community broadcasters under shared transmission arrangements with commercial broadcasters
 - a level of federal funding support for basic platform costs of linking, data and transmission for community digital radio services.
- Metropolitan-wide community radio stations in Melbourne, Sydney, Adelaide, Perth and Brisbane are operating digital radio services and stations independently meet the costs of content generation and associated operational costs.
- It is critical that current community digital radio services are maintained with ongoing government funding support for digital transmission.
- Equally critical is the inclusion of regional community radio services in regional digital radio planning and the CBAA participates in the Digital Radio Planning Committee for Regional Australia chaired by the ACMA.
- Digitising free-to-air radio delivery to regional areas and for all Australians is a significant public policy, planning and practical challenge.
- Ensuring a primary set of FTA radio services is maintained as media digitises is an important policy objective with long-standing Government support and valuable public interest outcomes.
- It is critical that the role of community radio services in supporting local content and community engagement is supported in the digital transition process.

- It will take time to provide universal coverage of digital free-to-air services and it may require online and mobile broadband delivery in some areas.
- Broadband delivery will not be free-of-charge to the user - and in the interests of social equity and inclusion principles - the CBAAB supports a set of primary broadcast services being available to the public as free services.
- A complementary strategy to support the spectrum efficiency of digital broadcast radio would be to introduce legislation to require mobile network operators and internet service providers to provide zero-rated (or un-metered) delivery of a primary set of FTA radio broadcast services.

In summary

- Community broadcasting services provide media diversity and high levels of local content and information relevant to their local communities.
- They are diverse, not-for-profit and an important part of the Australian media landscape providing essential free-to-air broadcast services that is recognised and supported by Government - and requires ongoing support and acknowledgment.
- The future of media and broadcasting is digital and community broadcasters must be supported in the digital media transition process, as are other broadcast sectors.

We thank you for the opportunity to present today, and look forward to further questions.