

Question for Mr Malcolm Long (Convergence Review)

Submissions made to the Joint Select Committee on Broadcasting Legislation include serious concerns about localism and regional news content if the 75 per cent reach rule was abolished as the Convergence Review suggested.

WIN Television CEO Andrew Lancaster told the Committee that abolishing the reach rule could be the end of regional television.

Can you explain why the Convergence Review didn't hold the same fears for regional news?

Answer

The Convergence Review was very concerned to support localism and regional news content in Australian television services, irrespective of changes to the corporate ownership or any other arrangements relating to regional television licences. Its report made clear that:

A guiding principle for the Review has been that Australians should have access to news and information that is relevant to their local communities, including locally generated content.

Existing

regulation already requires regional commercial radio and television broadcasters to broadcast material of significance to their local areas. The importance of local content to communities was a

strong and consistent theme in the Review's consultations, particularly in the public hearings conducted in August 2011. The recently released report of the Independent Media Inquiry also

highlighted the issues facing the production of local news content.

The provision of broadcast programs of local significance has been an enduring concern for governments of all persuasions for some decades. Over the past decade, local content rules were considered by the House of Representatives Standing Committee on Communications, Transport and the Arts, by the former Department of Communications, IT and the Arts and by the Productivity Commission.

The policy justification for local content rules has two aspects. First, the continued provision of local content services is considered necessary on the basis of equity to ensure that people living in regional and rural Australia receive content that reflects their local identity and communities. Second, successive governments have taken the view that without regulatory support for local content, which can be expensive to produce for relatively small audiences, this type of content would be under-produced.

(Convergence Review, page 109)

In that context the Convergence Review report recommended that:

Commercial free-to-air television and radio broadcasters using spectrum should continue to devote a specified amount of programming to material of local significance.

(Convergence Review, Recommendation 22, page 109)

Specifically regarding television the Convergence Review put the view that:

As with radio, the Review considers that the community has a reasonable expectation that the grant of a licence to use broadcast spectrum in a specified geographic area means that the licensee will offer broadcast services of relevance to the served communities.

(Convergence Review, page 114)

In its report the Convergence Review report also outlined the background and key aspects of the specific Licence Conditions that currently apply to regional television licensees:

Local content rules for television were first introduced in early 2004 following an investigation by the then Australian Broadcasting Authority. The investigation found that there had been significant declines in the amount of local information broadcast in some regional markets, and a decline in competing sources of news since the mid-1990s.

The additional licence condition imposed in 2007 on specified regional commercial television broadcasting licensees in Queensland, New South Wales, Victoria and Tasmania requires them to broadcast minimum amounts of 'material of local significance' within their local broadcast Areas.

The minimum amounts are determined by a points system, which requires each affected licensee to broadcast:

- *a minimum of 720 points per six-week period (which equates to approximately 360 minutes of local news or 720 minutes of other material of local significance)*
- *a minimum of 90 points per week (which equates to approximately 45 minutes of local news or 90 minutes of other material of local significance).*

The points system provides an incentive for licensees to give priority to local news, while recognising that other types of material of local significance may be of interest to local audiences.

(Convergence Review, page 111)

For the future, the Convergence Review said:

The level and nature of local programming required in radio and television broadcasting and regional areas should be monitored by the regulator. The regulator should have default powers to specify how the local licence conditions are to be met, after close consultation with the spectrum licensee and the served community. This would allow the regulator to respond to any community concerns about the levels and nature of local content offered.

(Convergence Review, page 115)

I hope this outline of what the Convergence Review said regarding the desirability of rules for local news and information content which should apply to those who have licences to broadcast in regional licence areas is useful to the Committee.

Malcolm Long