

# Chapter 1

## Background to the inquiry

1.1 The Senate referred this inquiry to the Committee on 8 December 2004 for report by 10 March 2005. The approach of the bills from which this inquiry has arisen is to make only minimal change to the existing regulatory frameworks that apply to telecommunications and broadcasting, in order to provide for the merger of the ACA and the ABA into a new body, the Australian Communications and Media Authority (ACMA). In accordance with the terms of reference, set out on page (v) above, the Committee was asked to examine not only the provisions of the bills but also whether ACMA's powers would be sufficient to deal with emerging market and technical issues, and to consider world best practice in competition and communication regulation.

### Conduct of the inquiry

1.2 In accordance with its usual practice, the Committee advertised the inquiry in the *national media* in December 2004. The Committee also wrote directly to a range of organisations and individuals to invite submissions, and received 24 written submissions, as listed at Appendix 1.

1.3 In order to explore the issues in more detail, the Committee held two public hearings in Canberra on 10 and 11 February 2005. A list of individuals and organisations who gave evidence at these hearings is at Appendix 2. While further public hearings in other States and Territories would have been desirable, the urgency with which the Government sought to have the bills debated limited the time available to canvass issues more widely.

### Outline of the report

1.4 In Chapter 2 the Committee provides a broad overview of the current regulatory arrangements in Australia's telecommunications and broadcasting sectors. This chapter also gives the history of the proposed ABA and ACA merger and briefly reviews other reports which have canvassed this proposal.

1.5 Chapter 3 discusses the provisions of the *Australian Communications and Media Authority Bill 2004* (the main Bill) which establishes ACMA and gives it certain powers and functions, and the provisions of the *Australian Communications and Media Authority Bill 2004*. The other eight bills that contain consequential amendments are also briefly outlined.

1.6 Chapter 4 addresses term of reference (c) to examine a range of international communications regulatory models. An overview of communications regulation in the United Kingdom (UK), the United States of America and the European Union is provided, with particular attention to OFCOM, the UK regulator.

1.7 In Chapter 5 the Committee considers whether the powers of ACMA and the Australian Competition and Consumer Commission will be sufficient to deal with emerging market and technical issues in the telecommunications, media and broadcasting sectors. The Committee's conclusions and recommendations are in that chapter.

### **Acknowledgements**

1.8 The Committee wishes to express its appreciation for the cooperation of all witnesses to its inquiry, whether by making submissions, by personal attendance at a hearing or, as in many cases, by giving both oral and written evidence. It stresses that all evidence has been taken into account in the preparation of this report, while noting that it was not possible to cite all evidence in the report.

### **Note on references in this report**

1.9 References in this report are to individual submissions as received by the Committee rather than a bound volume of submissions. References to *Committee Hansard* are to the proof Hansard: page numbers may vary between the proof and the official Hansard transcript.