

**Australian Broadcasting Corporation**

submission to

**Senate Environment, Communications, Information  
Technology and the Arts Committee**

**Inquiry into the Broadcasting Services Amendment  
(Media Ownership) Bill 2006 and related bills**

September 2006



# **Australian Broadcasting Corporation submission to the Senate Environment, Communications, Information Technology and the Arts Committee inquiry into the Broadcasting Services Amendment (Media Ownership) Bill 2006 and related bills**

## **Introduction**

The ABC welcomes this opportunity to provide comments on the various media reform bills introduced into the Parliament on 14 September 2006 and the Government's approach to the use of two unallocated channels of spectrum for new digital services, as announced by the Minister for Communications, Information Technology and the Arts on 12 September 2006.

Many of the matters covered in the bills relate primarily to commercial media services and do not directly affect the ABC. As a result, the Corporation would like to confine its comments to a small number of issues, namely the relaxation of the genre restrictions on national broadcaster multichannels, the ABC's contribution to media diversity in Australia and new digital services on the two unallocated channels.

## **National Broadcaster Multichannels**

### *Removal of the Genre Restrictions*

The ABC welcomes the removal of the current "genre restrictions" applying to national broadcaster multichannel services under clause 5A of Schedule 4 of the *Broadcasting Services Act 1992* ("BSA") that will be brought about by Schedule 1 of the Broadcasting Legislation Amendment (Digital Television) Bill 2006 ("Digital Television Bill"). This will allow the Corporation to offer Australians greater access to the full range of publicly-funded programs, including making use of archival material as rights and funds permit.

The ABC has consistently argued that the delivery of new and exciting content to audiences remains the key to the timely transition to digital television broadcasting. This is borne out by overseas experience, particularly in the UK, and that of smaller Australian markets that have seen the introduction of new, digital-only channels. In the latter markets, the take-up rate for digital television has been significantly higher than elsewhere in the country. For example, in Hobart, the estimated number of viewers with digital receivers grew to 26.4% between the introduction of the digital-only service in January 2004 and the first quarter of 2005.<sup>1</sup> When the same service was introduced in Launceston, the proportion of digital-capable viewers rose from 4.8% when the service launched in August 2004 to 11.1% in the first quarter of 2005. Similarly, in Mildura, Victoria, retailers reported a substantial increase

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<sup>1</sup> Prime Television. *Prime Television Ltd submission to Review of HDTV Quota Arrangements*, June 2005, p.2.

in sales of digital receiver equipment after a new, digital-only television channel was introduced in January 2006, with one retailer reporting sales of 1,300 set-top boxes in the two months surrounding the launch, as opposed to 250 set-top boxes in the preceding eleven months.<sup>2</sup>

Broadening the scope of additional services made possible through digital national multichannels will help to further differentiate digital from analog television, and increase its value in the eyes of potential audiences. The removal of the genre restrictions will thus allow the ABC to better contribute to driving the take-up of digital television in Australia.

ABC2 has proved to be a successful and sustainable service. In its 18 months of operation it has received an encouraging audience response, with a national average daily reach of 191,000.<sup>3</sup> The removal of the genre restrictions will provide the Corporation with an opportunity to improve the service that it offers to the Australian people.

Subject to available spectrum and funding, the ABC is interested in providing additional digital television content in a number of priority areas including children's television and rural and regional programming.

#### *Anti-Siphoning List Sport on Multichannels*

The ABC is concerned that under the proposed Part 4A of Schedule 4 of the BSA, which is set out in Item 18 of the Schedule 1 of the Digital Television Bill, it will be prevented from carrying sporting events listed in the *Broadcasting Services (Events) Notice (No. 1) 2004* – more generally known as the “anti-siphoning list” – on its multichannel services unless they are previously or simultaneously carried on its main channel.

The anti-siphoning list seeks to ensure that the most significant sporting events are made available to Australian audiences on free-to-air television. The Corporation believes that the ability to carry listed sporting events on its multichannels would increase the public benefit of the anti-siphoning regime by increasing the chances that audiences will be able to freely view major sport, particularly live events.

The ABC broadcasts a range of Australian sporting events that have devoted followings but attract insufficient audiences to be of interest to commercial broadcasters, and have not been of interest to the subscription television sector. These include competitions on the current anti-siphoning list, such as international Test matches involving the Australian netball team.

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<sup>2</sup> “Retailers report sales are ‘hectic’ as new digital TV service commences in Mildura”, *Digital Broadcasting Australia Information Bulletin*, February – March 2006. Accessed 13 April 2006: <<http://www.dba.org.au/newsletter/IB-FebMar06-full.asp#RECEPTION2>>.

<sup>3</sup> OzTAM and Regional TAM data, quarter ending 3 June 2006.

This complements the ABC's extensive coverage of a range of regional and, in particular, national women's sport.

For example, in May 2006 the ABC began broadcasting matches from the regional and state-based netball competition live on ABC2 on Friday nights and then replaying them on Saturday afternoons on its main television channel. This allows the Corporation to provide live coverage of the matches while keeping faith with its loyal audiences for longstanding programs on its main channel. The ABC believes it would be appropriate if it was in a position to similarly broadcast the international netball Test matches live on ABC2 prior to their re-broadcast on the ABC main channel. However, the proposed anti-siphoning restrictions on its multichannel services would prevent this.

Similarly, the ability to offer sporting events offered to the Corporation by commercial broadcasters, as happens from time to time, on multichannel services would allow it to broadcast such events live on ABC2, particularly in prime time, without disrupting audiences' expectations of its main television channel. The important result is that more Australian viewers would get the opportunity to see their sport live in a free-to-air environment.

These opportunities to increase the volume of live sport made available to Australians will be frustrated if the ABC is required to carry listed sports on its main channel before its multichannels.

## **Media Diversity**

The Broadcasting Services Amendment (Media Ownership) Bill 2006 ("Media Ownership Bill") puts in place measures intended to ensure specified minimum levels of diversity in media markets.

The ABC believes that any discussion of diversity in the Australian media must acknowledge the importance of sectoral diversity. The current diversity of Australia's media is preserved and enhanced by the balance of complementary national, community, commercial and subscription broadcasting sectors. As a national broadcaster, the Corporation makes a strong contribution to sectoral diversity.

The concept of an "unacceptable media diversity situation", introduced in Schedule 1 of the Media Ownership Bill, reflects the proposition that, as commercial media organisations have the potential to reflect or be constrained by the interests of those who control them, any decline in the number of persons controlling media organisations has the potential to constrain the range, focus or stance of news and information that is published and broadcast.

The ABC has a legislated obligation to provide independent news and information. It fulfils this obligation across a range of services. In most parts of Australia, audiences are able to

access four or five ABC Radio services, two ABC television channels and the extensive ABC Online. Moreover, these diverse services cater for different audience needs: where ABC NewsRadio provides continual news and Parliamentary programming, Local Radio stations provide more regionally-focused news, while *triple j* provides youth-oriented news and current affairs.

Thus, the ABC plays an important role in guaranteeing that audiences have access to a diversity of sources of news and information, and a variety of programs oriented towards local communities. This is particularly true in regional Australia where the Corporation provides a wide array of localised services and is an active participant in regional communities.

The ABC operates 60 ABC Local Radio stations around the country to provide news, information and other programming of direct relevance to local communities. Stations provide local programming with daily breakfast and morning shows, as well as locally-produced programs on weekends covering finance, sport, gardening and other topics of interest to the audience. The attachment to this submission provides a snapshot of ABC services, including locally-produced programming, in a number of regional areas.

Each ABC Local Radio station is supported online by a complementary website within *The Backyard* gateway on ABC Online. A recent report by the Communications Law Centre on media in regional Australia found that local communities generally value ABC Local Radio as a credible alternative to the journalism of local newspapers.<sup>4</sup>

Since 2001, ABC Radio has applied National Interest Initiatives funding to maintain 25 Radio Online producer positions across Australia. These Radio Online producers gather, source and prepare content from regional Australia to increase the level of community-specific information on ABC Local Radio, *The Backyard* and other ABC platforms.

The ABC also produces *Australia Wide*, a daily regional news and magazine program delivered via ABC2 and the ABC On Demand broadband service. The half-hour program features regional news from around the country coupled with a magazine-style segment that focuses on a different aspect of regional and rural Australia each day of the week. Magazine segment themes include youth, the environment and the arts.

ABC Local Radio has become a primary source of emergency information during natural and other disasters affecting local communities. In early 2006, ABC Local Radio Far North established a bureau in the devastated region of Innisfail to ensure that the local community received accurate and up-to-date news and information. This emergency broadcasting role is

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<sup>4</sup> See, for example, Tim Dwyer, Derek Wilding, Helen Wilson and Simon Curtis. *Content, Consolidation and Clout: How Will Regional Australia be Affected by Media Ownership Changes?* 2006. Melbourne: Communications Law Centre, p.xiii and *passim*.

widely acknowledged and in 2003, the ABC entered into a Memorandum of Understanding with Emergency Services Australia as the primary disseminator of emergency information at the national level. Since then, the Corporation has entered into similar agreements and local partnerships with relevant authorities in all states and territories.

The ABC believes its unmatched network of Local Radio and Digital services can provide the basis for increased digital content creation in regional areas in the future. The ABC is well placed to develop enhanced regional services across its digital platforms and to develop each Local Radio station into a hub for the creation of digital content that can be adapted for delivery on broadband, radio, digital television, and other emerging platforms. In this way, the ABC will continue to be a powerful safeguard of media diversity.

## **New Digital Services**

As indicated above, the Corporation is interested in offering additional services in the digital environment, including children's television, rural and regional programming and information based programming. While it will not be permitted to control the licence for the "Channel A" spectrum and will not be seeking to control the "Channel B" licence, the ABC would nonetheless be interested in providing content to the controllers of one or both of the channels. It is currently involved in providing content for both the datacasting and mobile television trials underway in Sydney.

The ABC has explored a number of ideas for interactive datacasting services that would provide rich viewer experiences, including education and regional news and information services, that it is unable to mount as the space remaining on its existing 7MHz broadcasting spectrum allocation is insufficient. The Corporation may potentially be interested in offering such services if further spectrum became available on a datacasting multiplex on proposed Channel A.

If, as widely anticipated, Channel B spectrum is used for mobile television services, the ABC believes that there is likely to be a case for mandating access for the national broadcaster to a certain percentage of the spectrum to ensure that quality Australian content is able to be accessed by Australians through these new services. Like all broadcasting services, there should be sectoral diversity in the selection of content made available to viewers over the mobile television platform. The ABC notes that most content providers for the current Sydney mobile television trial are subscription television channels that carry minimal Australian content. Access could be mandated for the ABC to provide a channel of short-form Australian information and other local video content suitable for this new portable broadcasting platform.

## ABC Services in Regional Australia

### Regional Local Programming

ABC Local Radio provides regional communities across Australia with a distinctive mix of local community information, news and current affairs, entertainment, music, sport, talkback, rural and emergency coverage – interactive, on air and online – reflecting contemporary rural and regional Australia.

### The Backyard

Each ABC Local Radio station is supported online by a complementary website within *The Backyard* gateway on ABC Online.

- ❑ [www.abc.net.au/backyard](http://www.abc.net.au/backyard)
- ❑ [www.abc.net.au/radio/localradio/](http://www.abc.net.au/radio/localradio/)

### ABC Rural

In each state and territory, ABC Rural's *The Country Hour* at noon on weekdays draws on the resources of Rural Reporters located at the regional Local Radio stations. *The Country Hour* features daily news and current affairs, produced specifically for people in rural Australia. This primary information source supports the largest online specialist Rural News website in the world ([www.abc.net.au/rural](http://www.abc.net.au/rural)).

Below are snapshots of the range of ABC services on offer in five typical regional centres.

#### ABC Services in Broome

The ABC provides:

- |                                   |                                       |
|-----------------------------------|---------------------------------------|
| ❑ ABC Local Radio (ABC Kimberley) | ❑ ABC Television (analog and digital) |
| ❑ <i>triple j</i>                 | ❑ ABC2                                |
| ❑ Radio National                  | ❑ ABC Online                          |
| ❑ ABC Classic FM                  | ◆ Planned for 2007–08: ABC NewsRadio  |

ABC Kimberley broadcasts to regions around Broome, Derby, Fitzroy Crossing, Halls Creek, Kununurra, Wyndham and a number of small station and Indigenous communities. It carries the following local programming:

#### Weekdays

- ❑ *Breakfast* 0615 to 0745 (including the local *Rural Report*)
- ❑ *Mornings* 1000 to 1200

#### Weekends

- ❑ *Saturday Breakfast* 0600 to 1000
- ❑ *Local Kimberley Sport* 0830 to 1000
- ❑ *Saturday Gardening, Sport and Finance talkback* 0830 to 1000

The website [abc.net.au/kimberley/](http://abc.net.au/kimberley/) provides local news, weather and feature stories.

### ABC Services in Cairns

The ABC provides:

- |   |  |
|---|--|
| <input type="checkbox"/> ABC Local Radio (ABC Far North Queensland) | <input type="checkbox"/> ABC Television (analog and digital) |
| <input type="checkbox"/> <i>triple j</i>                            | <input type="checkbox"/> ABC2                                |
| <input type="checkbox"/> Radio National                             | <input type="checkbox"/> ABC Online                          |
| <input type="checkbox"/> ABC Classic FM                             | ◆ Planned for early 2007: ABC NewsRadio                      |

ABC Far North Queensland broadcasts to an area the size of Victoria, stretching from Cardwell to Cape York, the Torres Strait Islands, western Cape York, the Gulf Country and the Atherton Tablelands. Major centres include Cairns, Innisfail, Mareeba, Atherton, Cooktown, Weipa, Normanton, Horn Island and Thursday Island. The station also serves many smaller communities through locally-operated self-help scheme transmitters. It offers the following local programming:

#### Weekdays

- ☐ *Breakfast* 0500 to 0745 (including a local *Rural Report*)
- ☐ *Mornings* 0830 to 1100
- ☐ *Late Afternoons (Drive)* 1600 to 1800

#### Saturday

- ☐ *Fish Talk* 0500 to 0600 (broadcast across Queensland)
- ☐ *Breakfast* 0600 to 0900
- ☐ *Far North Grandstand Sport* 0900 to 1000

The [abc.net.au/farnorth/](http://abc.net.au/farnorth/) website provides local news, weather and features stories about the region.

### ABC Services in Launceston

The ABC provides:

- |  |  |
|--|--|
| <input type="checkbox"/> ABC Local Radio (ABC Northern Tasmania) | <input type="checkbox"/> ABC Classic FM                      |
| <input type="checkbox"/> <i>triple j</i>                         | <input type="checkbox"/> ABC Television (analog and digital) |
| <input type="checkbox"/> Radio National                          | <input type="checkbox"/> ABC2                                |
| <input type="checkbox"/> ABC NewsRadio                           | <input type="checkbox"/> ABC Online                          |

ABC Northern Tasmania broadcasts to all of Northern Tasmania from Campbelltown north, the West Coast and the East Coast as far south as Swansea. Major cities and towns include Launceston, Devonport, Burnie, King Island, Wynyard, Smithton, Queenstown, Strahan and St Helens. It carries the following local programming:

#### Weekdays

- ☐ *Breakfast* 0530 to 0800 (including a local *Rural Report*, from Launceston)
- ☐ *Afternoons* 1400 to 1600 (from Burnie)
- ☐ *Drive* 1600 to 1800 (from Launceston)

#### Weekends

- ☐ *Gardening with Launceston local Peter Cundall*, broadcast from Hobart 0830 to 0930
- ☐ *Tasmanian Grandstand* (from Hobart) 1100 to 1200.

The [abc.net.au/northtas/](http://abc.net.au/northtas/) website provides local news, weather and feature stories about the region.



### ABC Services in Mt Gambier

The ABC provides:

- |  |   |
|--|---|
| <input type="checkbox"/> ABC Local Radio (ABC South East SA) | <input type="checkbox"/> ABC Television (analog only) |
| <input type="checkbox"/> <i>triple j</i>                     | <input type="checkbox"/> ABC Online                   |
| <input type="checkbox"/> Radio National                      | ◆ Planned for early 2007: ABC NewsRadio               |
| <input type="checkbox"/> ABC Classic FM                      |   |

ABC South East SA Broadcasts to regions around Mt Gambier, Pt McDonnell, Millicent, Cape Jaffa, Coonawarra, Penola, Keith, Naracoorte, Padthaway, Lucindale and Bordertown. It carries the following local programming:

#### Weekdays

- ☐ *Breakfast* 0600 to 0745 (including a local *Rural Report*)
- ☐ *Mornings* 0830 to 1100

#### Weekends

- ☐ *Saturday Breakfast* 0600 to 1000
- ☐ *Saturday Gardening, Sport and Finance* talkback 0830 to 1000

The website [abc.net.au/southeastsa/](http://abc.net.au/southeastsa/) provides local news, weather and feature stories.

### ABC Services in Wagga Wagga

The ABC provides:

- |   |  |
|---|--|
| <input type="checkbox"/> ABC Local Radio (ABC Riverina) | <input type="checkbox"/> ABC Television (analog and digital) |
| <input type="checkbox"/> <i>triple j</i>                | <input type="checkbox"/> ABC2                                |
| <input type="checkbox"/> Radio National                 | <input type="checkbox"/> ABC Online                          |
| <input type="checkbox"/> ABC Classic FM                 | ◆ Planned for early 2007: ABC NewsRadio                      |

ABC Riverina broadcasts to the regions of Wagga Wagga, Deniliquin, Griffith, Hay, Young, Tumut, Holbrook, Corowa, Cootamundra, Narrandera, Leeton and Temora. It carries the following local programming:

#### Weekdays

- ☐ *Breakfast* 0530 to 0745 (including local *Rural Report*)
- ☐ *Mornings* 0830 to 1100

#### Weekends

- ☐ *Saturday Breakfast* 0600 to 0745
- ☐ *Saturday Sport* 0900 to 0930
- ☐ *Saturday Gardening, Sport and Finance* talkback from 0830 to 1000

The website [abc.net.au/riverina](http://abc.net.au/riverina) website local news, weather and feature stories about the region.