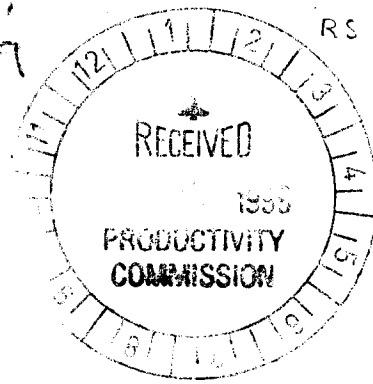


Sub No - 121
ID No - 169



Max Keogh
2 Ellsmore Avenue
Killara NSW 2071

Tel: (02)9498-2398

Professor Richard Snape
Chairman, Broadcasting Act Inquiry
Productivity Commission
LB 2 Collins Street East
MELBOURNE. Victoria 8003

Supplementary Submission to Broadcasting Act Inquiry

Dear Professor Snape:

Arising from our informal conversation during your Sydney hearings this week I understand you are prepared to accept supplementary submissions. I am grateful for that concession and take advantage thereof to offer two further observations (set out below) in view of all provisions of the current Act having been encompassed within your brief from the Treasurer. I ask that these be taken as forming part of my initial submission.

First: transmission power differentials as a competitive tool arises directly from a reading at the hearings of the submission to your Inquiry by Radio 4MBS-FM in Brisbane.. The second issue below is a matter of nomenclature, of accurate definitions and avoidance of misunderstandings.

1. TRANSMITTER POWER DIFFERENTIALS AS A COMPETITIVE TOOL.

The submission from 4MBS-FM is relevant to all the capital city operators of what are known as 'the fine music stations' in the so-called community radio sector.

Having more by tradition than design adopted and having been permitted commonly the letters 'MBS' (Music Broadcasting Societies) in their callsigns, each of them - Sydney Brisbane, Melbourne and Adelaide - enjoys total independence from one another, with separate and unshared directors, management, staff and policies. However, what they DO share is a competitive disadvantage in serving their 'markets' by comparison with the National FM services in those cities.

Traditionally, government radio engineering planners, responsible for allocating frequencies in the radio spectrum and maximum permissible power output (in watts/kilowatts) of the transmission, have adopted quite conservative criteria based more on theory than practical effect.

That much is commonly known over decades and was raised again yesterday by the ABA's General Manager in answer to a Commission question. The policy has been criticised - also over decades - for holding up expansion of services.

At this point I should make clear that I am not qualified to offer opinion on radio signal propagation methods. Nonetheless, in purely layman terms, I understand that a radio signal's ability effectively to cover a given geographical service area - a 'market' - is largely (but not wholly) a result of the power of the transmission and the elevation of the point of transmission above sea level and, especially for higher frequencies (FM, for example) absence of physical obstructions in the transmission path.

There is a fairly direct but inverse relationship between those two factors: power and height or elevation. That is, to service a given geographical area, an unobstructed, highly elevated transmission source will not require the same power output as would a service with a source placed at a low elevation. An extreme example is the surprisingly low power demands of satellite transmissions to earth from miles out into space: maximum elevation and an unobstructive pathway!

There is also a relationship between the frequency allocated to a transmitter and its power in respect of other transmitters occupying adjacent frequencies. Thus a transmitter of low to medium radiated power can be 'crowded out' by high-powered neighboring transmitters. To avoid this, frequency allocators use some of the bandwidth for 'dead space'; for a 'buffer zone' or, more correctly, adjacent signal separation. If all the transmitters across the spectrum could be of approximately equal power, the separation space would need to be less wide than when high and low-powered transmitters are scattered across the band.

Whilst I believe the above is a reasonably true, generalized outline of the physical elements determining the reception efficiency of a broadcast (whilst ignoring totally the variables encountered in the receiving equipment), I must state again that this is no more than a layman's opinion: as a content-interest programmer, I know no more about the technical production of an electrical signal than probably you, as an economist, know about coin production in a mint!

The upshot of all the above is this: when two or more radio stations are broadcasting to a common market (ie, a targetted audience, specially interested in the similar programme content of both stations) and one of those stations is very much more powerful than the other, the audience's perception and appreciation of the attractiveness of the two offerings will tend to favour the more powerful of the stations. That station will be a) easier to find and 'tune into', b) more 'reliable', c) less prone to fading, and d) less prone to natural electrical interference.

This is the problem experienced and summarized for you in the 4MBS-FM submission. It has the effect of reducing the ability of 4MBS to attract and serve satisfactorily an audience as fully or as well ^{as} ABC-FM in Brisbane is allowed to serve much the same audience: the ABC is given by virtue of its much higher power output a considerable 'competitive' edge over 4MBS.

That ABC stations in capital cities should have such significantly high power is not a fault or cause in itself for complaint; rather the fault and complaint arise from the government restriction upon the weaker station increasing its own power of transmission. Quite correctly the National service aims to cover the entire continent and high-powered transmitters and high transmission towers are factors in enabling it to do so with lower capital outlay and servicing costs than lower power and smaller service areas and a larger number of transmitters would provide.

But all that is cold comfort for the smaller station and for the audience desiring to enjoy its programmes.

Much the same problem exists in Sydney in relation to the power differential between ABC-FM and 2MBS-FM - the pioneer station of Australian FM stereo. In addition, 2MBS experiences the adjacency problem.

Why are the signals of other stations with programme matter similar to ABC-FM so weak by comparison with the ABC? Directly competing commercial stations do not appear to experience this problem. If they did, one can imagine the fuss and fury of their industry body, FARB!

The quest for a credible answer takes one through a thicket of Ministerial obfuscation and referral on to those technical agencies of government responsible whose responses, after much delay and couched in indeterminate jargon, seem to say - and have done so for not decades as you stated yesterday but YEARS - that no changes can be contemplated (to such issues as transmission power increases) until departmental reviews of frequency, bandwidth, this and that, have been completed. As these 'reviews' seem to run longer than anything on Broadway and never finish, it is difficult to the extreme of impossibility for any non-government, non-commercial service EVER to gain approval for a transmitter power increase - even in the face of the anomalies outlined above.

Can the Commission help to correct this unfair and highly unsatisfactory situation?

2. A BLURRING OF MEANING: "COMMUNITY" OR "PUBLIC" BROADCASTING?

This submission takes as its premise that there are four clear categories of radio broadcasters in Australia, named not only in accordance with the original legislation but ~~of~~ ^{with} established usage. The four are:

- * the National Stations .. i.e., the ABC, government funded.
- * the commercial stations .. privately owned businesses, advertiser funded.
- * the Special Broadcasting Service .. ethnic programming, largely government funded.
- * the 'public/community' stations .. co-operatively owned & funded.

In popular speech, these translate as 'the ABC', 'the commercials', 'SBS' or 'the ethnic stations' and 'the public stations'.

The first ~~four~~^{three} listed categories are exclusively employee-operated; the fourth offers (and maintains) open, public participation in its operations. No distinction is made within the four groups between AM and FM stations but the difference is indicated (with but one or two exceptions) in the callsigns: AM stations have two call letters (e.g., 3AW), FM stations have three (e.g., 3MBS). The numerical prefix is used to indicate the State of location: 2 being NSW, 3 Victoria, 4 Queensland, etc.

If a person says "I saw it on National TV" or "I heard it on one of the commercials" there is no problem in understanding which type of station was involved. But the statement "I heard it on a public station" is not unambiguous because there have been always two types of stations within the fourth tier and only with the coming of the present Act has the opportunity for confusion arisen.

Establishment of the fourth tier of radio broadcasting in Australia in the 70s was inspired by emergence much earlier of broadly similar broadcasters in the USA. There, broadcasting was at first a high-minded but commercial undertaking. A national, government-funded ^{service} also was established but was not for domestic consumption. Indeed, it was prohibited by law from transmitting to listeners within the United States. Thus radio was either commercial or it was nothing.

When a second tier emerged in the US it was for educational purposes and was born within the college campus. From that it emerged further into a broadly cultural medium and expanded further again to encompass the 'grassroots' interests of 'the man in the street' (and often the black man in the street). To distinguish itself from the private, profit-centred stations it adopted the name 'public broadcasting'. It remains known by that term today.

It was upon that model that Australian efforts in the late 60s and early 70s were developed. And it was with that name - public broadcasting - that the 4th tier gained legislative recognition in Australia (vide Broadcasting & Television Act). It was under that name that the first public stations were established (1974) and the sector's associations formed (the Public Broadcasting Association of Australia - PBAA, and the NSW Public Broadcasting Association).

This situation was recognised and accepted through all the formative and growth years of the sector.

It should be noted that, at the outset, ethnic interests participated fully in efforts to establish public broadcasting in Australia. They were part of the very broad base of interest involved, among them church, sporting, dramatic, womens, scientific and many other groups of society. But a fundamental difference of philosophy caused the ethnic group to detach itself from the others to pursue its own agenda separately. Ethnic broadcasters had a clear expectation of payments for their broadcasting contributions (ie, employment) and expectation of government funding. Eventually they were to achieve both. However the ethnic approach to public broadcasting differed totally from the rest of the movement which held volunteerism as a foundation principle and - legal provisions and regulations apart - independence from government, Federal and State. Eventually they, too, were to achieve both.

However, when the National broadcaster became one of the targets of Federal tightening of funding allocations, its Chairman and other spokespersons began to describe the service as being involved "in public broadcasting". This was seen by the more alert of the original public broadcasters as a subtle attempt to draw tighter the relationship and importance of the ABC's services to "the Australian public". The term 'National' was retired. 'National' implied 'government' (national airline, national shipping line, etc) and, in the wind, there were quiet suggestions that certain 'national' (ie, government-run) activities could be more 'efficient' (meaning less expensive) if de-nationalized. That would be a death sentence for the ABC.

So the ABC quietly purloined the phrase 'public broadcaster' for its own; no matter that the Act gave it a quite different meaning.

Despite objections from the public broadcasters' association (PBAA) and others, the press then picked up the phrase and used it to describe the ABC regardless of the confusion this mis-use caused.

The public sector consisted of two main categories of non-government, non-commercial stations: those authorized to serve entire metropolitan areas and other stations which wished to serve their local communities. These latter stations are parochial, in the very best sense of that word. They may be thought of as the radio equivalent of the over-the-front-fence, free, local newspaper. They are permitted only sufficient transmitted power to serve the localized audience. In Sydney there are some 16 or 17 such community stations.

The metropolitan-wide public stations are permitted to use higher power. In Sydney, there are three stations with Greater Sydney as their government-declared service area. These are a music station (2MBS), a basically educational (talk) station (2SER, Sydney Educational Radio) and a mildly religion-based station (2CBA, Christian Broadcasting Association).

The term 'public broadcasting' was collective: it indicated the metropolitan-wide as well as the smaller, community-based stations and, over time, became established as such in the public consciousness.

However, without consultation with public broadcasters and (I suspect) at the suggestion of the ABC, the purloined description was legitimised for the ABC National service by its adoption in drafting the Broadcasting Act. What had all along been public broadcasting appeared in the new legislation as 'community broadcasting'.

The effect of this has been to destroy many years of public education toward acceptance and understanding of the role of public broadcasting stations and, in the case of the longer established and more widely known metropolitan stations to reduce their status to that of the smaller, suburban or true community stations. Further and more importantly, it removes the tacit fundamental of their existence from their name; that is, that they are open to any citizen to participate in creating their services and even their governance and operation. Now the term is sanctioned for use by the most closed of superior broadcasters!

The public stations are as public as a public park or a public hall. No longer. For those reasons and for the sake of historical accuracy, I ask that the Commission's Draft Report carry a recommendation to the Federal Government to take the opportunity of any further amendment of the Act for restoring the description 'public broadcasting' to that sector to which it rightly belongs.

Thank you for considering these further two submissions.



Max Keogh

29. 5. 1999