

Productivity Commission
Broadcasting Inquiry
Locked Bag 2
Collins Street East Post Office
Melbourne, 8003

Wednesday 12th May 1999

Dear Ms/Sir,

Please find enclosed a copy of the National Ethnic & Multicultural Broadcasters' Council submission for the Inquiry into Broadcasting Legislation. (A copy, without appendices, has been previously emailed.)

Ethnic community broadcasting brings an enormous amount of media diversity and choice to the Australian community and is essential in meeting the social, community and cultural objectives of the Broadcasting Act and Government.

Every week across Australia 82 stations broadcast more than 1500 hours of locally produced programming for Australia's ethnic communities. This broadcasting takes place in 90 languages on 44 regional and rural stations and 38 metropolitan stations.

Ethnic community broadcasting provides communities with essential information (about settlement, community and government services), news, cultural and language maintenance. Ethnic community broadcasting builds communities and enables Australians of varying social, cultural, ethnic and religious background to more fully participate in Australian society.

Ethnic community broadcasting has supported the development of an harmonious multicultural society. Ethnic broadcasting stations are themselves examples of multiculturalism in action.

We believe that a regulative framework that recognises and fosters community broadcasting is essential to providing the Australian community with a diversity of media information.

We look forward to discussing our submission with you at the public hearings. If you wish to clarify any of the issues raised in our submission please contact me.

Yours sincerely

Bruce Francis
Executive Officer

Submission to:

**Productivity Commission Inquiry into
Australia's Broadcasting
Legislation**

**from
The National Ethnic & Multicultural
Broadcasters' Council
(NEMBC)
May 1999**

NEMBC SUBMISSION:

EXECUTIVE SUMMARY

- Ethnic community broadcasting is essential for broadcasting to meet the social and cultural dimensions of the public interest.
- Ethnic community broadcasting brings a level of diversity to broadcasting that is unparalleled in the world.
- Currently ethnic community broadcasting provides more than 1500 hours per week of locally produced programming in 90 languages on 82 stations including 44 in regional and rural areas and 38 in metropolitan areas.
- Ethnic programming provides essential information, news, cultural and language maintenance, builds communities and allows Australians of all ethnic, cultural, religious and social backgrounds to more fully participate in Australian society.
- Ethnic community broadcasting is multiculturalism in practice, as different communities daily work together to provide services for their communities and the whole Australian community.
- To continue to promote diversity in the media and to meet our social and cultural objectives it is essential that all community broadcasters are provided with access to digital broadcasting on the same basis as all other broadcasters and provided with assistance in this transition.
- Demand for air time by ethnic communities outstrips supply. Some of this unmet need may be met by community broadcasters being provided adequate digital spectrum.
- Community broadcasting provides the other broadcasting sectors with a skilled workforce, trained and skilled by community broadcasting, to recruit for their employment needs.
- Ethnic community broadcasting in terms of its cultural and language components has important benefits for the Australian economy in an increasingly global economic system.
- The NEMBC strongly supports the regulation of community broadcasting that ensures that community organisations are democratic, responsive to their communities and not for profit.
- The NEMBC strongly believes that regulation for commercial television is necessary to ensure increased levels of Australian quality programming and for the development of Australia's cultural industries.
- The social and cultural diversity of the nation will be healthier with a greater diversity of ownership and control in broadcasting. We believe that the current ownership and control limits based on geography, foreign ownership and cross media ownership must be maintained and strengthened.
- Its important that the new technologies are not dominated by the current media/broadcasting giants and that we grasp this opportunity to democratise broadcasting and the new technologies.
- We believe that the concept of degrees of influence is even more relevant today than when the act was introduced. The evidence is overwhelming that certain media and broadcasting organisations have much greater influence on the public and our community.
- Greater diversity in broadcasting will be achieved by increased government support for community broadcasting. On going support could be provided by community broadcasting receiving a percentage of licence fee payments.
- That narrowcasting as a broadcasting category is ill defined. Narrowcasters sometimes act as commercial broadcasters and at other times as genuine narrowcasters. This broadcasting category needs reviewing, a sharper definition and more effective monitoring by the ABA.

- Broadcasting and community broadcasting in particular could play a more significant role in providing education to the community if educational institutions were prepared to invest in broadcasting.

Submission to:

Productivity Commission Inquiry into Australia's Broadcasting Legislation

Ethnic Community Broadcasting - an overview

Community Broadcasting and ethnic community broadcasting in particular bring a diversity of programming to the media that is unparalleled in the world and that could not happen except through community broadcasting. Ethnic community broadcasting takes place on 82 stations throughout Australia - 44 in regional and rural areas and 38 in metropolitan areas. This broadcasting takes place in 90 languages. In total more than 1500 hours a week of locally produced programming is broadcast through out Australia. (See appendix 1 for more detailed information.)

Ethnic community broadcasters provide information (about settlement, government and community services), cultural and language maintenance and allow ethnic communities to play a meaningful role in multicultural Australia. For many Australians ethnic community broadcasting is the only source of information in their first language. Certainly ethnic community broadcasting is one of the few sources of local information to ethnic communities. For many of the smaller and poorer communities it is the only source of local information about services and the community.

Ethnic community broadcasting allows significant involvement by the community in the media. A recent scoping report prepared by CREATE (Culture Research Education and Training Enterprise Australia - the industry training body) estimated that of the 18,000 people who work in radio 11,000 or 61% of them work in community broadcasting. (The great majority of people working in community broadcasting are volunteers.) More than 3,000 of these work in ethnic community broadcasting or 20% of the total radio workforce. This allows a diversity of voices, content and programming styles to be heard in line with the government's objectives and the legislative objectives of the Broadcasting Services Act (BSA).

More than this though it is the voice of the community not the voice of private or individual interest that is being heard. The BSA and the Australian Broadcasting Authority (ABA) policy implementation guidelines clearly establishes that community broadcasting licence holders must be democratic organisations which allow for community participation at all levels. For ethnic broadcasters to receive the small amounts of funding that are available they must demonstrate that they are accountable and responsive to their communities. The Community Broadcasting Code of Practice further reinforces these requirements (See appendix II).

The legislation that establishes community broadcasting regulates the nature of our sector. Without this regulation commercial pressures would see community participation diminish with a very significant loss of diversity and services to the community. Who will give a voice to Somali refugees, the Laotian community or African Australian women if there is no community broadcasting?

Ethnic community broadcasting plays an important training and skills development role for members of ethnic communities. The skills involved in broadcasting are often important skills in other areas of the workforce. The ability to use technology, gather and select material and then present it in an interesting and informative way is sought after across the workforce and these are the very skills required for broadcasting. Through stations and through accredited training offered through the AERTP (Australian Ethnic Radio Training Project - managed by the NEMBC) these are the skills that ethnic broadcasters are learning. In the last 5 years the AERTP has trained more than 1,800 broadcasters in more than 13,000 radio broadcasting modules.

The benefits of ethnic community broadcasting to Australia's place in the increasingly globalised economy cannot be under estimated. Our broadcasters role in maintaining and developing an understanding of other languages and cultures will become increasingly important to us as a nation. Ethnic community broadcasting is ensuring that the skills and understanding to interact with the world economy are being maintained and strengthened.

Probably most important of all however is the role of ethnic community broadcasting in building communities and a supportive infrastructure for our migrants and those of diverse cultural, social and religious background. Ethnic community broadcasting allows Australians of diverse cultural and language backgrounds to participate in the affairs of the nation. Ethnic community broadcasting is multiculturalism in action; where people from diverse cultural, language, social and religious backgrounds work together to establish and develop a broadcasting service for the Australian community.

Radio is inexpensive (by other media standards), is accessible (thanks to community broadcasting), is immediate and is increasingly seen by the research as being the most cost effective means of communicating with the community and particularly with ethnic communities.

Ethnic community radio that interviews staff in community based social services, that promotes local cultural events, that discusses issues that affect their community from their cultural perspective, that encourages participation and informs the community about mainstream and community services is doing an enormous amount to put and keep communities informed and in touch with one another. To be real, multiculturalism needs to be a dynamic reality that encourages and enables people from all background to participate in the diverse social, cultural, political and religious life of our community. This is the very nature of community radio.

Responses to questions raised in the Issues paper

The changing nature of broadcasting

The two biggest changes that have been and will continue to take place are the changing nature of information and on line technology and the concentration of ownership and/or power in the media. Digital broadcasting, the development of new information technologies and the convergence of these technologies are crucial to the continued viability of community broadcasting.

If community broadcasting is to survive in an ever more competitive environment then it must have equal access to the digital spectrum as other broadcasters - be they commercial, public or narrowcast broadcasters. This question is fundamental and goes to the heart of establishing an equitable basis for a diverse broadcasting environment. If this is not provided then community broadcasters will be disadvantaged financially and in terms of quality of signal. The public will be disadvantaged in terms of loss of diversity of information and programming.

The question of ownership and power in the media industry is again a crucial issue. The issues paper quite rightly points out that alliances between telecommunication and media companies and between media companies are taking place in pay TV, on line services and related areas even to control of major sports. What we are seeing here is the expansion of already powerful and sometimes dominant interests into the new information and entertainment technologies and industries.

Instead of competition we are in danger of ending up with dominance of these new technologies by the current media giants, with diversity only in some niche markets. The economies of scale, alliances in a range of information and entertainment industries and being able to utilise these alliances in a range of media technologies will give the established giants of the media a huge advantage.

The new broadcasting category that was established by the BSA was narrowcasting. Narrowcasting is defined under the act as broadcasting services that are limited by target audience, geographic area, period of broadcasting, appeal and other ways. What this has created is a very diverse group of broadcasters using narrowcasting as their licensing mechanisms. Some narrowcast broadcasting services are associated with or under the control of organisations with other media interests.

There are for instance a number of narrowcasters who are commercial broadcasters with a niche market who broadcast to a whole licence area. In the competitive environment that exists for commercial broadcasters this is really the situation of most if not all commercial broadcasters. Is there a difference between a narrowcaster and a commercial station both broadcasting country music or Greek language programming. If not then why are they categorised as different broadcasting categories under the act? There are also a few narrowcasters who portray themselves as community broadcasters - this is not the reality and should not be allowed to occur.

Under the self regulatory system very little is known about narrowcasters and certainly there is no way of knowing whether or not they are fulfilling the conditions and reasons for their licence. Narrowcasting was introduced as a broadcasting category that would add diversity to broadcasting. If narrowcasting is to continue as a separate broadcasting category then the limits that define narrowcasting need to be reviewed and revised to differentiate narrowcasting clearly from other broadcasting categories so that narrowcasting can add to media diversity as intended.

Community broadcasting is limited by legislation to being not for profit, to having democratic community management, one frequency allocation limits, no sale or transfer of licences, limits on time for sponsorship and no advertising. While all these factors act as competitive disadvantage they are all absolutely necessary to preserve and develop programme and content diversity, community access and community accountability. The trade off has been that community broadcasters have a right to frequencies of the same nature as other broadcasters and that there are no licence fees applicable for these licences. It is after all the community's broadcasting spectrum that is being utilised by the community.

The public interest and the objectives of broadcasting policy

Overall the objectives of the Broadcasting Services Act (BSA) are even more relevant and important than when the act was first drafted. While we are supposedly living in the information age the reality is that most of us receive the bulk of our information from very limited sources as the only way to deal with information overload. The encouragement of genuine diversity as opposed to the mock diversity that we are often given is extremely important. It is programmes like the Voice of East Timor on community radio and not the identical twins of 'public information' - A Current Affair/ Today Tonight - that offers the real diversity of opinion and information sources.

What all broadcasters do is filter information to make it relevant and consumable for us the public. The only way to ensure that we get diversity is through a diversity of owners of the media - community, public and commercial. What we need is a balance of these owners both within each category and between each category of broadcasting. It is essential that our different forms of media, where we look to verify opinions and views are owned by different interests. If our radio station, TV station and daily paper are owned by the one media interest we will get the one view in our three media sources. Without community broadcasters many issues would not be covered and many perspectives on issues would not come into the public arena.

Within community broadcasting the focus of interest varies enormously. The principle interests of community stations include providing

- essential information about services, rights and responsibilities
- support for building communities and developing an inclusive multicultural society
- community organisations with an opportunity to communicate with the broader community on social, environmental, cultural and political issues
- an appreciation of different cultures
- an opportunity for unrecorded local musicians to get public exposure
- an opportunity for local issues and events to receive maximum exposure
- an increased opportunity for listeners to participate in their local community
- cultural opportunities and understandings for listeners
- community members the opportunity to understand and participate in the media
- and much, much more

Diversity can only be guaranteed by regulating a diversity of ownership and types of ownership

The range and strength of diversity is limited by the lack of financial resources that exist in the community broadcasting sector. Greater government financial commitment particularly at this time of digital transfer and technological change is essential to maintaining media diversity.

One of the significant losers over recent years in terms of programming options have been children. Since the legislative requirement to provide programming for children was removed from radio, children's programming has completely disappeared. A great deal of programming on TV is associated with advertising either for product from the 'program' or by fast and junk food providers. With the exception of the ABC, children's TV becomes a commercial opportunity for business, not principally an educational and entertainment experience for children.

In many areas of the media and especially in TV we are flooded by overseas and principally USA programming and culture. We need to support and strengthen the local production quotas for TV

that are now in place. Community broadcasting is almost completely Australian made. Most community broadcasting programmes are made at the local station with the local community as the focus of the programming.

There is no shortage of programme content that overseas media organisations are keen to have broadcast in Australia in English and a range of languages. Australian ethnic community broadcasters have however put a premium on locally produced and locally relevant programming. With overseas programme content there is always the danger that the material will not reflect the diverse, inclusive multicultural values that we have as a nation and instead propagate division, mistrust and anti diversity messages. From a national view overseas content may also propagate the divisive views of other governments into our domestic situation

The limited networking of quality programming that does take place in the community broadcasting sector comes from a diversity of stations from across Australia and is programmed only if the local broadcaster so chooses. This is in stark comparison to commercial networking where local stations take centralised programming at the instruction of the network owner. Community radio therefore acts as broadcasting's greatest exponent of local programming and diversity.

Over recent years under economic pressures educational institutions have tended to withdraw more and more from the media. There is enormous potential for both public and community broadcasters to work with educational institutions to provide education via a number of technologies. Many programmes do this on both public and community stations, but usually without, not with educational institutions.

In our own sector we have seen a number of educational institutions decrease or withdraw their support for community radio stations on the basis of short term and narrow policy and financial considerations. Our community is now lacking a commitment to education as a common good for the community. A vibrant community broadcasting sector makes that commitment to multilingual community education.

Over recent years there has been a steady growth in ethnic community broadcasting. However the reality is that demand for broadcasting by ethnic communities out strips the available supply of air time. We are hopeful that digital broadcasting may go some way towards alleviating this demand, although no one yet knows how soon that will be a reality. Whether that happens or not however is dependent on government decisions to provide all community broadcasters with adequate frequency allocation so that split channelling can take place and community stations being able to afford the costs of transfer to digital, the cost of simulcasting and the as yet unknown costs of access to digital transmission facilities.

If left to the market, in an unregulated environment where the highest bidder takes all, then most ethnic communities would be disenfranchised from broadcasting. Government regulation has therefore been essential to the development of diversity and meeting our social, cultural and community broadcasting objectives. Community broadcasting has played a significant role in supporting and encouraging the development diverse Australian culture and cultural industries. The idea of a surcharge on commercial licence fees to provide secure on going funding for community broadcasting should be considered. The commercial and public sectors owe an enormous amount to the training and opportunities that are provided by community broadcasting.

The economics of broadcasting

The main sources of income for community broadcasters are donations, memberships, sponsorship, government funding (through the Community Broadcasting Foundation - CBF) with smaller amounts of income from sale of air time and other fund raising activities. The financial aspects of community broadcasting are regulated by being not for profit organisations and by having a maximum 4 minutes per hour (soon to be increased to 5 minutes) sponsorship allocation. Channel splitting in a digital environment as well as offering extra programming opportunities may also provide some financial benefits to some stations. Certainly the reality is that community broadcasting is a very poor sector and the majority of stations have a gross income below \$100,000 per year.

The problem is that community control and community access do not always mesh well with commercial business practices. Presently the sector's code of practice states that station sponsorship policy;

- ensures that sponsorship will not be a factor in determining access to broadcasting time
- ensures that the content and style of individual programs is not influenced by the sponsors of the programs
- ensures that overall programming of community broadcasting stations is not influenced by sponsors

If we are serious about independence and diversity in the media this code of practice must be adhered to. Community broadcasting, by its very nature, is always going to struggle financially. To some degree community broadcasting's financial situation is compensated for by the enormous voluntary contribution made by members of the community. On average each community broadcaster has only around 3 paid employees but in excess of 75 volunteers. In ethnic community broadcasting the voluntary input is significantly higher. Some metropolitan stations have up to 500 volunteers involved each week.

Community broadcasting is part of the community infrastructure and should be appropriately funded by government.

Australia's current broadcasting regulation

The convergence of technologies does not change the basic proposition that the owners of certain broadcasting/media organisations do have a much greater influence in shaping community views than others. As custodians of the community's broadcasting spectrum this places added responsibility on these organisation. It is quite clear that most of us have our views influenced at this point in time by FTA TV, daily state based newspapers and commercial radio. A reasonable but minority proportion of the population also accesses information via the national public broadcaster.

While measurement of degrees of influence may be difficult at the edges it is patently clear that the media does carry enormous influence and that identifiable parts of the media and particular media organisations carry greater degrees of influence. This is why Ministers, Premiers and Prime Ministers regularly meet with the Murdoch and Packer organisations and not with community broadcasters. This is why 'The Sun' newspaper in England announced after a recent election of a Conservative government "We won it" and why the relationship between the Blair Labour government and the Murdoch Press is so controversial.

It is in this area of greatest influence that regulation needs to ensure greater diversity of ownership, content and views and to safeguard our national interest by strict maintenance of bans on foreign ownership and control of the media.

Cross media rules need to be strengthened and possibly extended. Once you have dominant players in an industry, particularly under globalisation pressures, you really have a system that increasingly excludes new comers into the industry unless they are even bigger multinational players who have no concern for our national interest let alone our social and cultural broadcasting objectives.

We strongly support the retention and possible extension of the geographic, foreign ownership and cross media ownership limits as the requirement for minimal levels of diversity and competition in the media. The concept of control as it applies to these regulations needs to be clarified and strengthened so that the lawyers of the wealthy cannot circumvent the intention of the regulations

We are also strongly of the view that the requirements on broadcasting for local content and quality local content should be increased for FTA and pay TV. Australian audiences obviously want Australian content and without this regulatory support the Australian cultural industry will not continue to develop. When given the opportunity Australian audiences want, in the main, to watch Australian programming.

The self regulatory approach to complaints has largely been welcomed by the broadcasting industry. The main difficulty with this approach is that enforcement powers to ensure compliance from stations breaching the code of practice are not often pursued, take considerable time and often seem to lack effectiveness. The ABA is seen in the industry as preferring stations and complainants sorting out their own difficulties without ABA involvement. The ABA is obviously under resourced but without adequate and suitable compliance mechanisms the codes of practice can become just pieces of paper that rely on the good will of broadcasters for implementation.

The role of the Australian Broadcasting Authority (ABA)

The licence allocation process has taken considerable time and resources. The results of the process will mean disappointment for many and some long term waste of people's energy and resources. In Melbourne there are now at least 23 aspirant community broadcasters with the expectation of around 2 licences being allocated to community broadcasting. Certainly some of these delays in the process have been due to a lack of resources in the ABA.

The process of allocating community broadcasting licences is more complex and determined by the community interest - a notion that we fully support. We do however believe it was a pity that the financial viability criteria was removed from the allocation process for community broadcasting licences. It is our view that broadcasting as we understand it and increasing the diversity of broadcasting should have clear priority over commercial datacasting in the allocation of limited spectrum.

It is our view that the community has the right to expect a reasonable return on their asset - the broadcasting spectrum - as well as the right to allocate, at no cost, significant parts of that spectrum to the community through organisations such as community broadcasters who have to meet certain regulatory requirements in terms of community interests and participation. This is the process that now takes place. It also seems to us that the income generated by the allocation of the community's broadcasting spectrum should be used to fund the community's own media i.e. community broadcasting.

As mentioned earlier the contribution made by community broadcasting in establishing a pool of trained and skilled broadcasters who commercial, public and narrowcast broadcasters can then employ has not been adequately recognised. A percentage of the licence fee going into the community sector for training, programming and infrastructure would be the best recognition of our sector's contribution.

International agreements

Our concern in relation to international agreements is that a laissez-faire approach to trade, culture and services could threaten the development of Australian culture and the development of local cultural industries. We believe that cultural and broadcasting content should not be subject to free trade agreements and that ownership and control of cultural and broadcasting organisations should be restricted to current Australian citizens.

**National Ethnic & Multicultural Broadcasters' Council (NEMBC)
May 1999**

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