

FEDERATION OF PARENTS AND CITIZENS' ASSOCIATIONS OF NEW SOUTH WALES

3 December 1999

Ms Julie Toth
Broadcasting Inquiry
Productivity Commission
Locked Bag 2
MELBOURNE VIC 8003

FACSIMILE: (03) 9653 2199

Dear Ms Toth

[1] We write to confirm our attendance at the Productivity Commission's Broadcasting Inquiry hearings at 3pm on Monday 6 December.

[2] At the hearing we will address the following points:

[3] 1. The need to regulate foreign ownership and control of commercial broadcasting outlets.

[4] Our arguments will be based on the following points:

- [5] Regulation of foreign ownership is a simple, effective and legitimate means of ensuring that Australian interests have a voice in broadcasting.
- [6] Diversity of views is not adequately promoted or protected in the distinction between broadcast services operated by Australian or foreign billionaires.
- [7] The Commission argues that "foreign proprietors may be less sympathetic to Australian cultural or political values or to local content." It argues that these proprietors would have to "provide programming that will appeal to Australian audiences" and that more specific regulation about local content could resolve any other cultural or social concerns. In response we would argue that mass appeal is a poor method of ensuring the success of important social and cultural objectives.

[8] 2. Importance of maintenance of cross media ownership rules in any broadcasting regulatory regime.

[9] Our arguments will be based on the following points:

- [10] The tendencies of commercial broadcasters, like other large, commercial enterprises is to dominate markets. Market dominance is the necessarily the end result of successfully competing in a market. Evidence conclusively indicates that this tendency has been realised in currently unregulated media and there is little reason to believe that major media operators that have succeeded in other deregulated media markets would respond differently to deregulated broadcasting markets.
- [11] Regulation should foster diversity while protecting cultural identity and facilitating fair access to the market by a wide variety of viewpoints. In these circumstances, public interest tests should demonstrate that acquisitions and particularly mergers are in the public interest and not simply contrary to it.

[12] 3. Social and cultural objectives.

[13] Our arguments will be based on the following points:

- [14] Promotion and protection of cultural identity is fundamental to pursuit of the public interest and overrides concerns about hidden protection for the television production industry.
- [15] Children are particularly ill equipped to critically assess the quality of broadcast services beyond simple expressions of preference. This is acknowledged by the Commission in the draft report. It is important that children learn from broadcast services that refer to Australian experiences in context rather than to an inferred foreign context.
- [16] The community will be better able to decide what constitutes appropriate regulation of digital broadcast services when it is clear what the digital realm will comprise but we agree with the Commission that a regulatory regime that accommodates the anticipated breadth of these services is necessary.
- [17] However, regulation needs to acknowledge the relative influence of commercial, national (ABC, SBS) and community broadcasting. Regulation specific to each is needed to address the specific attributes of each.
- [18] Regulation needs to recognise that some types of broadcasting have more influence than others. For this reason some technology specific regulation remains necessary in addition to generic broadcast regulation.

Thank you for the opportunity to address the Inquiry.

Yours sincerely

Warren Johnson
Executive Officer