Broadcaster Identifier	Area	Successful Applicant
4RED	Redcliffe/Pine Rivers	Redcliffe Pine Rivers Community Radio Association Inc.
*	Redlands Shire	Bayside Community Radio Association Inc.
SA		
5RAM	Adelaide (Christian)	Christian Radio Inc.
5THE	Millicent	Millicent Community Access Radio Inc.
WA		
6HCR	Port Hedland	Hedland Community Radio FM Inc.
*	Kununurra (Aboriginal)	Kununurra Waringarri Aboriginal Corporation
Tas		
*	Hobart (RPH)	Broadcast Services for the Handicapped Inc.
NT		
8KTR	Katherine	Katherine Community Radio Inc.
Supplementary radio (for five year periods)		
*	Albury/Wodonga, NSW	Radio Albury-Wodonga Ltd.
2HIL	Broken Hill, NSW	Far West Radio Pty Ltd.
2ROX	Kempsey, NSW	Mid-Coast Broadcasters Pty Ltd.
2TTT	Tamworth, NSW	Tamworth Radio Development Co. Pty Ltd.
4RUM	Bundaberg, Qld	Bundaberg Broadcasters Pty Ltd.
4HOT	Cairns, Qld	Greater Cairns Radio Ltd.
4MIC	Mt. Isa, Qld	North Queensland Broadcasting Corporation Pty Ltd.
Remote radio (for seven year periods)		
4SUN	North-East Zone	Ausradio Pty Ltd.
6SAT	Western Zone	Trans-West FM Pty Ltd.

* *Broadcaster identifier not yet approved*

ABA GUIDELINES ON AUSTRALIAN DRAMA FOR PAY TV

The ABA has released draft guidelines on the new Australian drama requirement for pay TV for comment.

The guidelines are a service to the industry and will provide potential pay TV operators with information about the drama requirement while they are at the entry stage.

The *Broadcasting Services (Subscription Television Broadcasting) Amendment Act 1992*, which took effect on 1 December last year, requires a minimum of 10 per cent of program expenditure to be spent each year on new Australian drama programs for pay TV drama services.

The requirement applies to any pay TV licensee providing a service which is predominantly devoted to drama programs.

'This requirement will ensure that the new pay TV industry contributes to the development of creative Australian local product, by securing industry support for Australian drama programs. I expect pay TV will provide exciting opportunities for our production industry,' said ABA Chairman, Mr Brian Johns.

The 10 per cent minimum should be spent on programs which have not been broadcast on another television service, before being broadcast on pay TV.

'As a result pay TV should be more than a secondary market for free-to-air Australian drama programs. Programs can be produced in conjunction with free-to-air broadcasters, but to meet the condition they must be transmitted first on pay TV,' said Mr Johns.

Information provided in the guidelines includes: the definition of new Australian drama, the purchase and sale of program rights, the basis on which program expenditure figures should be calculated.

The ABA anticipates the pay TV industry will develop a range of practices in acquiring and broadcasting program material. The guidelines consider issues which may emerge as the industry develops.

The draft guidelines follow the passage through Parliament of pay TV legislation on 27 November last year (see below). They also coincide with the tender process of MDS (multi-point distribution service) frequencies and the auctioning of satellite pay TV service licences this year.

Pay TV

Pay TV is any form of television service for which the subscriber makes a direct payment to the service provider for access to the service. Under the Broadcasting Services Act three types of pay TV are to be licensed:

a) satellite subscription television broadcasting services,
b) subscription television broadcasting services utilising delivery mechanisms other than satellite, and
c) subscription television narrowcasting services.

It is the Parliament's stated intention that pay TV should provide new opportunities for the film and television production industry, through an increased demand for programs, which is expected to provide jobs and contribute to the development of creative Australian product.

Consequently, section 102 of the *Broadcasting Services Act 1992* sets the minimum new Australian drama expenditure requirement on subscription broadcasting television (pay TV) licensees.

Section 102. states:

> Each subscription television broadcasting licence is subject to the condition that, if the licensee provides a service devoted predominantly to drama programs, the licensee will, for each year of operation, ensure that at least 10% of the licensee's program expenditure for that year in relation to that service is spent on new Australian drama programs.

DRAFT PAY TV GUIDELINES FOR THE IMPLEMENTATION OF THE 'NEW AUSTRALIAN DRAMA' LICENCE CONDITION

30 DECEMBER 1992

OVERVIEW

It is the Parliament's stated intention that pay TV should provide new opportunities for the film and television production industry, through an increased demand for programs that is expected to provide jobs and contribute to the development of Australian creative product. In particular section 102 of the *Broadcasting Services Act 1992* sets a minimum new Australian drama expenditure requirement on some pay TV licensees.

These guidelines have been produced to provide some certainty as to the practical application of section 102. The draft guidelines should be read in conjunction with the Act. The ABA's intention is not to prescribe accounting standards but to facilitate compliance with section 102. The guidelines do not proport to be exhaustive; a practice not described in these guidelines should not be taken to be authorised by its omission.

INDUSTRY PRACTICES

The ABA anticipates the pay TV industry will develop a range of practices in acquiring and broadcasting program material. These guidelines anticipate issues that may emerge as the industry develops.

In most cases it is anticipated that each licensee will maintain a program inventory and that as programs are used the value of the inventory will be charged to the profit and loss account of the licensee as expenditure. Where a portion of this expenditure relates to a predominantly drama service, this portion will then form the basis for assessing the compliance of the licensee with section 102.

SPECIAL CONDITION RELATING TO AUSTRALIAN CONTENT

102. Each subscription television broadcasting licence is subject to the condition that, if the licensee provides a service devoted predominantly to drama programs, the licensee will, for each year of operation, ensure that at least 10% of the licensee's program expenditure for that year in relation to that service is spent on new Australian drama programs.

DEFINITIONS

For the purpose of these Guidelines the following definitions apply:

Australian drama program is defined in section 6 (1) of the Act and appears in Appendix 1 of these guidelines.

Drama program has the meaning given in section 6 (1) of the Act, modified to apply to all subscription broadcasting television licences, not just satellite subscription television broadcasting services. The original definition appears in Appendix 1 of these guidelines.

Licensee in the context of these Guidelines refers to the licensee of a subscription broadcasting television service, unless otherwise stated.

Market value means a value calculated on the basis of the expected price for which an asset could be sold if offered on an open market to any buyer.

New Australian drama program means an Australian drama program that has its first presentation on a subscription broadcasting television service, and has not been presented on another broadcast television service or narrowcast television service.

Service devoted predominantly to drama programs (predominantly drama service) means a subscription television broadcasting service that presents drama programs for 50% or more of the total time that the service is available over the year concerned.

Program is defined in section 6 (1) of the Act and appears in Appendix 1 of these guidelines.

Program expenditure is the usage and amortisation of program rights owned by a licensee that is charged to the profit and loss account of the licensee company. Costs included in program expenditure should relate directly to the cost of the program rights. Program expenditure should not include costs associated with incomplete programs or incidental costs such as administrative overheads or acquisition and promotion costs or transmission costs. Program expenditure should not include abnormal items such as a write down in program rights.

Program rights means the right to broadcast a program on a particular type of television service. This right may derive from ownership of the copyright of the program or from a contractual arrangement with the owner of the copyright or a person authorised by the copyright owner.

Related party has the same mean-