during the development of codes of practice.

ABA research can be used as a basis for discussion with the networks, with your local commercial media and with individual journalists. These exchanges can then operate beyond anecdote and anger.

You can use our research to approach the industry both on codes and as part of the new complaints mechanism - because the research informs not only those complaining, but the ABA in its decision-making processes.

Under the Act, the ABA is no longer a one stop shop for complaints. Those unhappy with the media must first complain to the broadcaster involved.

If after a 60 day period you do not receive a satisfactory response, then it is possible to complain to the ABA as a final arbiter or ombudsman.

In making your complaint, there is also the opportunity to draw on ABA research in order to suggest possible solutions and ways forward for everyone involved in the Australian broadcasting arena.

Today I have discussed several ways for you to tackle problems associated with the media and representation of indigenous Australians.

I commend to you the three ways forward I have suggested -

- the opportunities presented by the new Act,
- the ABA as a forum, and
- the Authority's research program as a basis for thoughtful and informed debate by all sides.

I look forward to hearing from those of you who wish to lead Australians' thinking about indigenous Australians and the media.

THE CHANGING CONTEXT OF BROADCASTING

AN ADDRESS BY JANET CAMERON, OF GRANT BROADCASTERS PTY LTD, AN INDEPENDENT RADIO OPERATOR, AT THE ABA'S CORPORATE PLAN WORKSHOP HELD FROM 2-5 FEBRUARY 1993.

Thank you very much for the invitation to speak with you today. I should pre-empt my comments by saying that they will relate only to radio and more particularly regional radio. There are a few introductory remarks I would like to make before attempting to address the subject, 'The changing context of broadcasting'.

Radio provides many things to many people but these may be listed as follows:

- Entertainment mainly in the form of music;
- Information in the form of news, talkback and special programming;
- Localism by an identification with the community within which it operates;
- A media by which advertisers can promote their goods or services;
- And an investment for shareholders.

The current structure of the industry is:

The ABC
Public Broadcasters
Commercial Broadcasters

And a small number of services operating under the limited licence provisions of the provisional legislation.

In addition to the extension of the current utilisation of the AM and FM frequencies we can foresee the start of digital audio broadcasting (DAB) in some five years which will allow many more frequencies, satellite coverage with large footprints and linear coverage e.g. along highways with the one frequency.

The future of narrowcasting and audio on pay TV carriers is still to be determined.

After that overview I find it is very early to be dealing with today's subject matter 'The changing context for broadcasting' from both the operational point of view and the planning aspects. In the operational context I might say the radio industry was delighted with the practical approach taken by the ABA to the revision of the form for the collection of annual financial data. We felt the result provided the ABA with the information they needed to know but reduced the burden on the industry to complete a long and overly complex form.

We have yet to see the effect of the new Broadcasting Services Act and the way in which the ABA will deal with it on planning aspects. Currently our major concern is narrowcasting. It would be fair to say that the way narrowcasting was portrayed in the draft bill was akin to the former limited licences, but with an extension to provide a greater range of 'narrow' services. The impact of narrowcasting is causing a deal of concern to some operators because they cannot get a handle on what it is. No one has a problem with tourist radio but we query how the narrowcasting racing services in Newcastle and Wollongong turn up on two recently used AM frequencies with what appears to be the old AM station's operating conditions.

Many operators are asking, what next? This is even more puzzling when the one feature that the new Act emphasised again and again was the opportunity for more public input. The interpretation that we were able to make from the draft Bill turned out to be different from what seems to be happening in practice. It seems that a similar uncertainty has happened with MDS and pay TV.

For regional operators the most heartening aspect of the Broadcasting Services Act was section 39 which would finally allow them the opportunity to run a second service in their markets. The saga for this right has been lengthy and exhausting, with representations to government going back to 1980, culminating in an amendment to the old Act and the invitation to all regional operators to apply for a supplementary licence in 1984. Most did so only to see those applications gather dust in Canberra. Despite this the arguments and conviction for the grant of an additional licence has never waned and just as operators had an expectation in 1984 they again feel a revival of their hopes under section 39. I hope that this time the long awaited promise will soon become a reality for both the public and the broadcaster.

This is of course a matter for the ABA.

Looking to the future, the most difficult and frustrating task an owner/operator such as myself confronts is uncertainty. We anticipate an increase in the number of radio services in the future, indeed there has already been considerable growth in the non-commercial sectors in recent years.

Prior to the narrowcasting issue we believed regional broadcasters had to plan for an additional service operated in tandem with their existing licence and the introduction of digital audio broadcasting. Most broadcasters believe that it is doubtful that any additional revenue a second service may generate will offset the cost of running the additional service in the current competitive and recessionary environment. The sums will have to be carefully done in both outlay of capital equipment and operational costs if there is to be any chance of recouping the investment by the time DAB is available in our markets.

And then any planning that you may have done can so quickly be turned upside-down by changes in government policy. The recent MDS decision on pay TV is a classic example. Pay TV will have a significant effect on radio revenue just as TV aggregation has in regional markets. My own personal experience of unheralded change occurred when I was an applicant for a licence in the Gold Coast and Gosford. Applications for the FM licences were completed and lodged, the enquiries well under way, when the Government determined an establishment fee should be paid. On the Gold Coast that fee was $4.3 million and the incumbent station 4GG had to pay half this fee, $2.1 million to convert to FM. Some time later the Act was amended to introduce access fees. Had that fee applied it would have been in the order of $300 000. Should a licence be granted on the Gold Coast today the priced based allocation scheme would apply which could result in an even lower entry fee. I would maintain that in terms of equity the entry fee should be no lower than the $4.3 million we were required to pay.

So now back to the future.

We will see more stations in the capital cities and in the regional areas - the challenge will be to have a balance between proliferation and the quality of the service.

I think we can learn something from the experience in USA, Canada and New Zealand where the introduction of too many services too quickly has proved to be a problem. In regional areas in particular there has been a substantial deterioration in quality. We see:

- 24 hour a day satellite service;
- stations that are unmanned or operate with one to three people;
- four radio services operating out of one building with only one studio, the rest automated or off satellite.

The upshot of this is that:

- there is a degree of diversity in music;
- the information is a repeat of central satellite services;
- there is a dearth of localism;
- the audience for advertisers is quite limited as the market splits for small areas.

Recently in the USA in recognition of the difficulties existing the Government have allowed duopolies in ownership as has been done in Australia.

The new environment in Australia will probably see some consolidation of markets and ownership in the industry. Economies of operation will be sought even more closely than they are now and there may be a need to expand the current two to a market rule.

The problem that this experience overseas highlights is that a structure must be found for Australia that recognises the development of technology and the opportunities that it can bring and at the same time does not allow the financial and operational and programming disarray that seems to have happened in those countries.

In conclusion I would like to say I and my colleagues will be ready to meet the challenges of the changes that are going to happen but we should also ensure that we still have what many overseas broadcasters tell us is the best radio structure in the world with its current mix of commercial, public and ABC broadcasting.