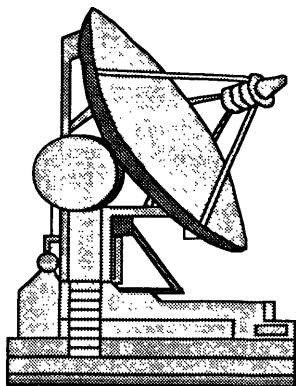


casting, Fox Television and BSkyB - a huge library of films and television. and on the technology side, it has the world's leading encryption system through News Datacom.

The Asia-Pacific region is a vital component of News Corporation's global strategy. After all, it comprises the world's largest potential television audience which will continue to grow and become more affluent. Together, the pan-Asian experience of STAR TV and the global strength of NewsCorp will provide this audience with the best television information and entertainment our industry has to offer

You have a lot to get through over the next three days with contributions from many distinguished people in broadcasting, so I'll quickly summarise:

- The growth of satellite and cable television in the Asia-Pacific region has been tremendous, and there are no grounds for pessimism for the future. But I emphasise the responsibilities of recognising the diverse cultures in the region.
- We are on the cusp of a technological revolution and if broadcasters provide quality programming and choice, the advantages for the consumer will be enormous.
- Although a number of competitors are now beginning to enter the market, STAR TV continues to be the first satellite broadcaster in the region and we aim to be the best.
- Thank you for inviting me to the conference, it was an honour for STAR TV to be asked and if any of you have any questions I will be delighted to answer them.



REVIEW

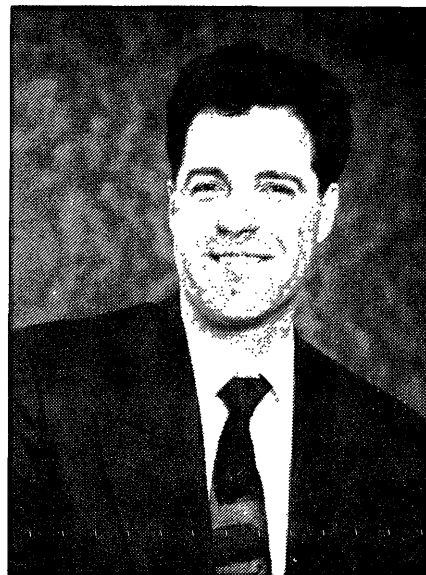
A REVIEW OF THE ECONOMICS OF FILM AND TELEVISION IN AUSTRALIA BY SIMON MOLLOY AND BARRY BURGAN, THE SOUTH AUSTRALIAN CENTRE FOR ECONOMIC STUDIES; PUBLISHED BY THE AUSTRALIAN FILM COMMISSION 1993.

BY PAUL MYERS, HEAD OF INDUSTRY ANALYSIS

This is an extensive and contemporary study that explores the reasons for the current structure of the Australian film industry. It consists of more than 100 pages of discussion and statistics on production, distribution and exhibition that weaves together an integrated structure of what are often treated as separate fields. The study is intended to raise issues for discussion and does not provide a proposal for where action should be taken.

Chapter one provides an introduction and canvases some of the major issues. It concludes that the film and television industries should be treated as the one industry for the purpose of analysis, that is, the market for their output should be considered a market for audio-visual product. Through this position the study focuses on the substitutability between different forms that has been so important in understanding structural change. It concludes that copyright is pivotal to the operation of markets for audio-visual product because of the low marginal cost associated with producing additional copies of a film or additional screenings after the initial production of the film. New delivery technologies will force rapid structural change on the industry. This is something that is being contemplated with the introduction of pay TV and is being considered by a range of government policy reviews. Finally, it is argued that the dichotomy in policy debate over economic and non-economic arguments for intervention is not sustainable and that most arguments that refer to cultural objectives can be dealt with inside an economic framework.

Chapter two covers the international context. It contains a summary of the local production measures used by the



Paul Myers

US, European countries and Japan. It concludes that there are significant barriers to entry for Australian producers, including limited access to distribution and language and cultural barriers. Co-productions are seen as one way of building strategic alliances that will ensure access to other markets. However there is still a long way to go as the Australian balance of trade shows imports of \$437m compared to exports of \$65m in 1991-92 leaving net imports of \$372m in this area.

An export orientation for film policy is clearly reflected in this chapter. The ongoing need for measures such as content requirements and finance that counter the protectionism of other markets is implicit. Though the conclusion is ambivalent about the effects of removing such measures, the report alludes to the need for the Australian industry to be more competitive with other national industries.

Returning to the domestic market, chapter three briefly discusses the na-

continued on p. 16

ABA LICENSES 80 NEW TOURIST INFORMATION SERVICES

Tourists around Australia could soon be tuning in to 80 new low power radio services which will provide local information about sightseeing, restaurants and accommodation.

The ABA has issued 69 transmitter licences for tourist information services throughout Australia since the Broadcasting Services Act took effect on 5 October 1992. Another 11 licences were issued under the (previous) Broadcasting Act.

Low power services provide localised information such as tourist radio, parking advice for outdoors public events and commentary at sporting fixtures.

The services are licensed to use transmitters with a coverage of less than two kilometres in urban areas and up to ten kilometres in rural areas, where there is less chance of interference.

Low power services are generally licensed for 12 months. Licences cost between \$28 and \$139, depending on the strength of the transmitter being used.

'This honours our commitment made in December last year to licence low power information services quickly,' said Mr Colin Knowles, ABA Director of Planning.

'The *Broadcasting Services Act 1992* has allowed far more streamlined arrangements when licensing information services, particularly low powered services,' he said.

Licences have been issued in each state and territory (see below). Contact details for business operators in your area are available from the ABA.

Licences have been issued in:

NSW

Albury, Bathurst, Broken Hill, Cessnock, Coffs Harbour, Goulburn, Katoomba, Kiama, Merimbula, Murwillumbah (Terranora), Murwillumbah (Sleepy Hollow), Narrabri, Port Macquarie, Richmond, Tamworth Taree, Wagga Wagga.

ACT

Canberra.

VIC

Ararat, Ballarat, Bellarine, Bright, Cobram, Echuca, Euroa, Hastings, Mornington, Nagambie, Rutherglen, Seymour, Shepparton, Wangaratta, Yarrowonga.

QLD

Babinda, Bundaberg, Caloundra, Daintree, El Arish, Hervey Bay, Ingham, Innisfail, Ivory Rock, Mackay, Malanda, Maryborough, Mount Isa, Prosperine, Sippy Downs, Yandina.

SA

Barossa Valley, Bordertown, Burra, Glenelg, Hahndorf, Innis, Murray Bridge, Penola.

WA

Albany, Broome, Carnarvon, Dongara, Exmouth, Geraldton, Geraldton North, Kalgoorlie, Norseman, Shark Bay.

NT

Alice Springs, Litchfield Park, Tennant Creek.

TAS

Hobart.

The ABA opened up new business opportunities for low power information services throughout Australia by releas-

ing spectrum in the FM radio broadcasting band on 1 December 1992.

Five channels were released on an interim basis until 31 January 1994. Their allocation will be reviewed after the ABA's detailed planning of the FM radio bands.

Technical conditions which apply to the use of low power channels are available from the ABA. It is up to operators to satisfy these conditions and avoid interference to other services.

Application forms and information about technical conditions are available from Ann Bourne (06) 256 2835 or Margaret Wattam (06) 256 2836, ABA Canberra.

HOW WILL LOW POWER SERVICES BE REGULATED?

These services are classified as open narrowcasting under the class licence system, which has been established to facilitate the emergence of a range of educational, business, ethnic, professional and other services. The system operates under the new which took effect from October last year.

Services under class licences are able to broadcast ads subject to any applicable conditions and can be required to observe licence conditions and codes of practice.

If you would like further information, the ABA has available a free *Guide for Service Providers under Class Licences*.

NEW ABA DEPUTY CHAIRMAN

Mr Peter Webb has been appointed Deputy Chairman of the Australian Broadcasting Authority for the period 1 February 1993 to 4 October 1997.

The appointment is dated 22 January 1993.