



ABA looking at Australian content of on-line services

MELBOURNE: As part of its current inquiry into regulation of the content of on-line information and entertainment services, the ABA is looking at the issue of minimum levels of Australian content.

Speaking at a seminar organised by the Centre for Media and Telecommunications Law and Policy at the University of Melbourne, ABA Chairman Mr Webb said, 'The real policy question is not whether a minimum level of Australian content is desirable, but whether it is practicable and if, so, how might it be achieved.'

The Broadband Services Expert Group (BSEG), which reported to the Federal Government earlier this year, recommended that providers of broadband entertainment and information services be obliged to commit at least ten per cent of their expenditure on content to new Australian content.

'The ABA hasn't come to any firm views about the feasibility of obligatory content levels as yet, but we intend to explore it thoroughly. We intend to see what potential there is for giving effect to the spirit of BSEG's recommendation,' Mr Webb said.

'We expect to be told that giving effect to that specific recommendation isn't possible, and even if it were, it isn't appropriate to be saddling up a new industry with mandatory imposts before it has struggled to its feet. Service providers might also be the wrong point of concentration,' he said.

'There may be some validity in these points, but those who advance them will have to support their point of view with a solid case.'

Mr Webb pointed to the ABA's recently released guidelines on how pay TV operators might honour their obligations to allocate ten per cent of their drama channel program expenditure to new Australian drama as an indication of how the ABA might approach this issue.

National Mutual and AXA to remedy breach

SYDNEY: The ABA has notified National Mutual and its major shareholder, AXA Anonyme Societe, they will have to take action to remedy their breach of Australia's foreign ownership provisions.

To effect this, the ABA issued formal notices on 3 October to National Mutual Life Holdings

and AXA, the French insurance company, for being in breach of section 57(3) of the *Broadcasting Services Act 1992*.

These laws make it illegal for the total foreign ownership in a commercial television broadcasting licence to exceed 20 per cent.

'The ABA has directed National Mutual and AXA to remedy the breach within six months,' said Mr Bob Scott, ABA Deputy Chairman.

National Mutual's subsidiaries are in breach of the 20 per cent aggregate foreign ownership level in the Seven Network Ltd, as they currently hold about four per cent of the issued share capital of Seven.

While Network Nine is unaffected, aggregate foreign ownership in the Seven Network was already near to the 20 per cent threshold under the law and the transaction resulted in it exceeding the limit.

Information from Seven indicates the foreign ownership level in Seven Network Limited at present is 20.189 per cent.

'Other foreign investors should also be aware that any investment since 8 September 1995 could result in the ABA requiring them to rectify the breach, if it means the twenty per cent limit is exceeded,' Mr Scott said.

The breach arose after a share subscription transaction on 8 September 1995 resulted in AXA acquiring more than 50 per cent of the share capital of National Mutual Holdings Limited.

Australian music on commercial radio

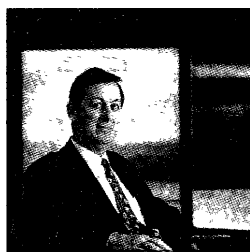
SYDNEY: The first annual report of the Australian Music Performance Committee was publicly released on 29 September 1995 at the Recorded Music Industry Conference, presented as part of Aria Australian Music Week.

The conference considered the possibilities offered by new services including multi-media and broadband services. It also examined how greater diversity of formats and new Australian music might be fostered by the availability of additional radio licences identified in the ABA's planning process.

The following extract from the report summarises how the code is operating:

Operation of the code

In practice the code is operating exceptionally well. Despite the differing quota levels which have to be achieved by all stations, in the first three reports (15 months to 30 June 1994, six months to 31 December 1994 and the six



ABA chairman, Peter Webb