



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



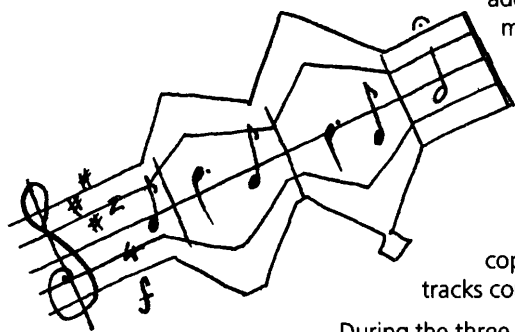
ABA chairman,
Peter Webb



News Update

months to 30 June 1995) the average Australian music percentage across all categories was 22 per cent. Significantly, the major music stations in metropolitan and major regional markets (Category 'A' formats required to play a minimum of 25 per cent) have averaged 27.5 per cent of Australian music content over the three report periods, while Category 'B' stations (required to play a minimum of 15 per cent Australian content) have averaged 19.5 per cent.

Further, in the period 1 July to 31 December 1994, commercial radio stations added 133 tracks from 92 new Australian artists to playlists (new Australian artists for this purpose were defined as those who have entered the general music recording scene in the past 12 months). In the same period, 45 new tracks by 26 established Australian artists were added to playlists. In the six months to 30 June 1995 new music by new artists totalled 90 tracks by 61 artists, while new music by established artists added to commercial radio station playlists totalled 116 tracks by 58 artists (for copies of lists of these new tracks contact ARIA).



During the three review periods a total of only 10 stations have not met their percentage requirements under the Code—six were due to either ownership or format changes, while others were due to computer setup errors. On each occasion AMPCOM wrote directly to the stations seeking confirmation of their compliance with the code and/or format change. Each of the stations responded positively and have easily met the Code requirements in subsequent or previous reports.

Following the latest report AMPCOM formally acknowledged the efforts of radio stations in complying with the Code and congratulatory letters were sent to those stations which have achieved consistently high results.

Consistently high performers:
Metropolitan: 2MMM, 3MMM, 5SSA, 7HHO.
Major Regional: 2KKO, 2LM, 2MW, 2ZZZ, 3BO, 3GG, 4CC, 4GR, 4RAM, 8HOT.
Regional: 2EC, 2GZ, 2HIL, 2ROX, 2WSK, 4RUM.

Pay TV Licences

SYDNEY: The ABA has allocated subscription television broadcasting licences to Cable Network Services Pty Ltd ('CNS'), Northgate Cable Television Pty Ltd ('Northgate') and Mudgee Cable Company Pty Ltd ('MCC').

The ABA has allocated 150 subscription television broadcasting licences to Northgate, which proposes to provide a pay TV service via coaxial cable to individual homes throughout

Australia.

The ABA has allocated 50 subscription television broadcasting licences to CNS which proposes to provide Australia-wide pay TV services via cable. A range of programming including movies, comedy, music videos, home shopping and educational and children's programming will be broadcast.

MCC proposes to use its 60 pay TV licences to provide subscription television broadcasting services, including movies, comedy and children's programming via cable to the Mudgee and Gulgong region.

The ABA has allocated these licences under section 96 of the *Broadcasting Services Act 1992*. Under this section, the ABA must not allocate a licence to a service that uses satellite as a means of service delivery before 1 July 1997.

Licences Issued by ABA

Licence holder	No. of licences
Access Cable Television Ltd	110
Access Cable TV (Northern Rivers) Pty Ltd	4
Cable Television Services Pty Ltd	20
Cable Network Services Pty Ltd	50
Central Coast Cablevision Pty Ltd	54
Cosmovision Cable Television Pty Ltd	50
Cox Media Pty Limited	56
CVC Pay TV Pty Ltd	20
Dergat Pty Ltd	4
Explorer Channel Pty Ltd	1
Graff Pay-Per-View (Australia) Pty Ltd	10
Home Show Cable Australia Pty Ltd	20
Interactive Telecommunications Network Ltd	150
Mudgee Cable Company Pty Ltd	60
Multicom Australia Pty Ltd	35
Neighborhood Cable Pty Ltd	72
Northgate Cable Television Pty Ltd	150
NRS Group Pty Ltd	13
Oberon Broadcasters Pty Ltd	10
Pacific Media Telecommunications Pty Ltd	18
Paynet Telecommunications Pty Ltd	8
Planet Pay TV Pty Ltd	20
PPV TV Pty Ltd	20
Premier Cable Australia Pty Ltd	43
Prime Media Developments Pty Ltd	45
Private Cable Network Pty Ltd	102
Rowcom Holdings Pty Ltd	28
Selectra Pty Ltd	50
Star Vision Pty Ltd	50
Vinatech Pty Ltd	50
Visitor Publishing Group Pty Ltd	2
Wright Weller Rosenblum Pty Ltd	10
Total	1285

Copies of AMPCOM's annual report are available from FARB, on (02) 906 5944, and the ABA on (02) 334 7869.