



Under the system, if there is more than one applicant for a licence, the licence will be allocated to the highest bidder if:

- the price bid is higher than the published reserve price for the licence,
- and the other requirements of the determination are met.

Unless the ABA decides to set a higher reserve, the reserve price will be equal to the application fee of \$10 000.

The highest bidder at a licence allocation exercise will be required to immediately pay a deposit of 10 per cent of the difference between the price bid and the application fee.

Full payment for the licence (price bid less the application fee and the deposit) must be made approximately 45 days after the relevant licence allocation exercise.

If there is only one applicant for a licence, a licence allocation exercise will not be held. Instead, the licence will be allocated to the sole bidder once the reserve price is paid and the determination requirements met.

If a successful applicant fails to meet any of the above requirements, the application fee will be forfeited and the licence will not be allocated. The ABA may then re-offer the licence for allocation.

Other requirements of the determination

The ABA must not allocate a licence to an applicant if the applicant is not a company formed in Australia or in an external territory which has a share capital, or if the ABA decides that applicant is not a suitable applicant in the terms of s.41(2) of the Act.

Under the Act, an applicant is presumed to be 'suitable' unless the ABA decides that

allowing the applicant to provide commercial broadcasting services under a licence would lead to a significant risk of an offence against the Act or associated regulations being committed, or a breach of the conditions of the licence occurring.

Commencement of service

A licensee must begin providing a service within one year of being allocated the licence, or within a longer period as notified in writing by the ABA.

For more information

The ABA's information package, *Price-based Allocation of Commercial Broadcasting Licences* contains, amongst other things, the *Commercial Broadcasting Licence Allocation Determination No 1 of 1995*, which sets out the price-based allocation system. The information package contains a detailed description of how the system works.

It also contains copies of all forms which must be completed by applicants, and provides technical specifications and other information relating to the services for which licences are available. The information package is available for purchase from the ABA for \$50.

A general overview of the licence allocation system and other associated information is contained in the ABA booklet, *Licensing of new free-to-air broadcasting services*.

Copies of the booklet may be obtained without charge from the ABA. Please contact Leanne Smith, Allocation and Renewal Section, on (02) 334 7824.

Please note this general information is not sufficient for prospective bidders. ☐

NTD applies for second TV service in Darwin area

The ABA has received an application for permission to operate a second commercial television broadcasting service in the Darwin area from Territory Television Pty Limited, licensee of local commercial television service, NTD.

'NTD is entitled to apply because it is the sole commercial television licensee in the area,' said Mr Webb.

Under s.73 of the *Broadcasting Services Act 1992*, the ABA may allow NTD to provide an extra service only if it is satisfied 'that it is unlikely that another person would be interested in, and likely to be in a position to, operate another commercial television broadcasting service in the licence area.'

He said if the ABA found that entrepreneurial interest expressed during the ABA's planning process for Darwin no longer existed, the new television licence could be allocated to NTD without an auction under s.73 of the Act.

The ABA must decide whether or not to give NTD permission within 45 days after receiving the application. This date will be 16 January 1996.

In order to meet this dead-

The closing date for return of the completed schedule to the ABA is

18 December 1995.

Interested parties should call Gavin Oakes on (02) 334 7927 or Leanne Smith on (02) 334 7824 of ABA Allocation & Renewal section to receive an information package which includes a schedule of questions to be answered.

line, persons other than NTD who are interested in operating a commercial television broadcasting service in the Darwin area, should contact the ABA as soon as possible.

What happens if the ABA does not grant permission to NTD under s.73?

The ABA will proceed with the price-based allocation process for the Darwin licence.

What happens if the ABA grants permission to NTD under s.73?

The ABA will withdraw the offer of the new Darwin television licence from price-based allocation.

When would licence allocation begin?

It is likely to begin in March 1996.

Which markets could be involved in s.73 applications?

Section 73 applies to markets where there is only one commercial television operator and in which the ABA has made a second licence available for allocation.

The existing commercial television licensees in the first two licence area plans released by the ABA, Mildura/Sunraysia and Griffith/ MIA, both applied for permission under s.73. The ABA refused to grant permission in both cases.

How is the ABA advising potential television operators about s.73 applications?

The ABA has prepared an information package for companies participating in the s.73 process, including legislative and administrative frameworks, and is disseminating this to parties who express an interest in providing a service in the Darwin licence area as they become known. ☐