



New commercial radio licences for Bendigo, Bunbury and Orange

The ABA has allocated licences to AMI Radio Pty Ltd to provide commercial radio services in the Bendigo, Bunbury and Orange licence areas.

Allocation of the licences follows the ABA's finding that the relationship between DMG Regional Radio Pty Ltd (DMG) and Associated Media Investments Pty Ltd (AMI) and other companies in the AMI and DMG groups in relation to broadcasting licences serving Mildura, Victoria and Griffith, NSW has not resulted in any breaches of the ownership and control provisions of the Broadcasting Services Act.

AMI shared radio facilities with DMG in providing radio services in Mildura and shared facilities and staff with DMG in providing television and radio services in Griffith. DMG own radio licences in Bendigo, Bunbury and Orange and intend to share staff and facilities with AMI in the future in these areas.

Under the Act, a person is prohibited from being in a position to exercise control of a commercial television licence and a commercial radio

licence, or more than two commercial radio licences, in the same licence area.

AMI Radio Pty Ltd was the highest bidder for the new commercial radio licences in Bendigo, Bunbury and Orange at a licence allocation exercise held by the ABA in November 1997. AMI bid \$1 220 000 for the Bendigo licence, \$120 000 for the Bunbury licence and \$1 500 000 for the Orange licence. Full payment for the licences was made in January 1998.

The ABA will be monitoring compliance with the ownership and control rules by DMG and AMI companies in these areas.

Copies of the report of the ABA's investigation: *Investigation into Control, Associated Media Investments Pty Ltd/DMG Regional Radio*, price \$10, are available from the ABA on (02) 9334 7700, or on the ABA web site, <www.aba.gov.au>.

As a result of its investigation, the ABA has developed draft policy guidelines on staff and facilities sharing in commercial radio.

Draft policy guidelines on staff and facilities sharing in commercial radio

The ABA is aware of the current rationalisation in the commercial radio broadcasting industry, the growth of radio networks, and the desire of the industry to cut costs, especially in regional areas.

'The ABA is seeking to provide guidelines to regional radio operators about what is permissible under the law,' said Professor David Flint, ABA Chairman. 'If radio operators wish to achieve economies of scale by sharing staff and facilities, the guidelines indicate those staff and facilities that can be shared without causing a breach of the ownership and control rules of the Broadcasting Services Act.'

'The ABA has released the draft guidelines as part of its role in promoting stable and predictable regulatory arrangements in relation to commercial radio,' added Professor Flint.

As stated in the guidelines, the ABA considers that the sharing of staff between competitors in a licence area may cause a breach of Part 5 of the Broadcasting Services Act if the shared staff work in commercially sensitive areas. Although the draft policy guidelines provide general advice, the ABA notes it will consider each case on its merits.

Under the Broadcasting Services Act, a person is prohibited from being in a position to exercise control of more than two commercial radio licences in the same licence area.

Copies of the draft *Policy Guidelines on Staff and Facilities Sharing in Commercial Radio* are available from the ABA, tel. (02) 9334 7700 or on the ABA web site, <www.aba.gov.au>.

Submissions

Submissions on the draft policy guidelines should be sent to: Manger, Control section

ABA
PO Box Q500
Queen Victoria Building NSW 1230

by 6 November 1998.