



The ABA has released the 1999-2000 broadcasting financial results for 240 commercial radio and 48 commercial television licensees.

Profits increase for commercial broadcasters in 1999-2000

In 1999-00, commercial radio licensees generated \$737.5 million in revenue, with \$591.2 million going to expenses,' said Professor David Flint, ABA Chairman. 'This meant a broadcasting profit of \$146.3 million and represents an 36.1 per cent increase over the previous year's profit.'

The amount of revenue generated in 1999-00 represents a 16.1 per cent increase over the previous year's amount of \$635.5 million generated by 226 licensees. Expenses also increased, by 12 per cent over the previous year's amount of \$528.0 million.

'For commercial television, 48 licensees generated \$3271.0 million in revenue in 1999-00, with \$2467.5 million going to expenses. This produced a broadcasting profit of \$803.5 million and represents a 71.4 per cent increase in profit after abnormal,' said Professor Flint.

The amount of revenue generated in 1999-00 represents a 12.3 per cent increase over the previous year's amount of \$2912.5 million generated by 48 licensees. Expenses decreased by 3 per cent over the

previous year's \$2543.3 million.

Of the total revenue of \$3205.5 million generated by the networks, the Seven Network and its affiliates 'accounted' for \$1125.1 million or 35.1 per cent, the Nine Network and its affiliates \$1379.3 million or 43 per cent, and the Ten Network and its affiliates \$701.1 million or 21.9 per cent. The Seven Network and its affiliates earned \$180.4 million more than they did in 1998-99 (an increase of 19.1 per cent on the previous year's earnings), the Nine Network and its affiliates earned \$160.6 million more (up 13.2 per cent), and the Ten Network and its affiliates \$22.6 million more (up 3.3 per cent).

Commercial television licensees spent \$596.6 million on local programming in 1999-00. Of this amount, \$110.1 million was spent on Australian drama and children's programming; \$153.2 million on news and current affairs; \$187.3 million on sports; \$119.8 million on light entertainment; and \$26.0 million on documentaries and other programming.

The Seven Network and its affiliates spent a total of \$258.1

million on Australian programming in 1999-00, representing a 5.5 per cent decrease over the previous year's amount of \$273.1 million. The Nine Network and its affiliates spent a total of \$253.5 million on Australian programming in 1999-00, representing a 0.7 per cent increase over the previous year's amount of \$251.7 million. The Ten Network and its affiliates spent a total of \$81.8 million on Australian programming in 1999-00, 5 per cent higher than the previous year's \$77.3 million.

'While commercial television licensees are required to comply with quotas relating to Australian content and children's programming, these are not determined on the basis of expenditure on local content,' said Professor Flint.

Earnings by commercial radio and commercial television licensees returned to the Commonwealth a total of \$211.4 million in licence fees, a small increase over last year's \$211.1 million, reflecting the rebates that have been claimed by eligible regional television licensees.

Broadcasting Financial Results 1999-2000

Further details on the financial performance of commercial radio and television licensees in metropolitan and regional Australia are included in *Broadcasting Financial Results 1999-2000*. For commercial radio in metropolitan areas, the information is provided on performance of FM services, AM services and networks in capital cities, while for regional areas, the information is available for larger, medium-sized and smaller regional markets.

The financial performance of commercial television licensees is broken down by State, mainland capital city, multi-station and solus regional markets and networks.

To maintain the confidentiality of individual licensees, the results are aggregated, so some information, for example, for AM and FM licensees, is available for some areas only.

Copies of the *Broadcasting Financial Results 1999-2000* disk, price \$550 including GST, are available from the ABA, tel. (02) 9334 7700.

