



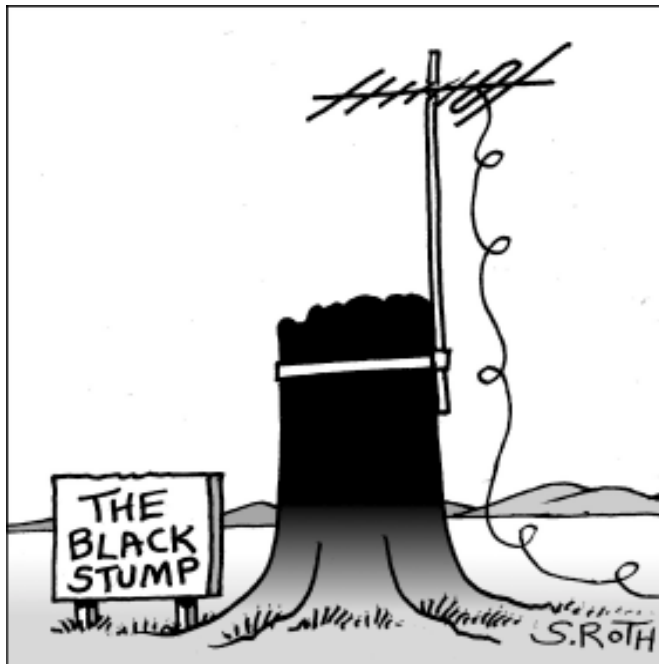
The ABA's investigation shows that there is some scope for broadcasters to do more in developing programs of local significance.

Local news and information in rural and remote Australia

The ABA has released a report into the provision of local news and information programs in rural and remote Australia. This report is the second into the provision of local news and information programs, and deals with the areas of Australia where there are only two commercial television services available, or where the third service has only recently been allocated.

'In all of the areas examined, viewers receive some locally produced news or information programs from at least one broadcaster,' said Ms Maddock. 'However, there is scope for some of the broadcasters to do more and the ABA plans to discuss this issue with those broadcasters. The ABA will be encouraging Southern Cross Broadcasting, WIN Television and Prime Television to consider the needs of viewers in the Darwin, Mildura, Remote Central and Eastern Australia and Regional and Remote Western Australia markets and to develop additional news or information programs that are of local significance to those viewers.'

The ABA concluded however, that it is not appropriate at this stage to mandate the provision



of local news or information programs, as has been required in the regional licence areas in eastern Australia.

The report, *Adequacy of Local News and Information Programs on Commercial Television Broadcasting Services in Regional and Rural Australia*, examines the individual characteristics of each market under review, including the population, population density, revenue, profitability and costs associated with the implementation of additional commercial television broadcasting services

and the transmission of commercial television broadcasting services in those markets.

Solus operator and two operator markets

The solus operator markets have

two commercial television broadcasting services that are both operated by the same licensee: Broken Hill, Griffith / MIA, Mount Gambier / South East, Riverland and Spencer Gulf. The two operator markets have either two or three commercial television broadcasting services but only two licensees. When three commercial television broadcasting services are available, the third service is operated by the two licensees in a joint venture, but is only available in digital mode. The non-remote two operator markets are Mildura / Sunraysia, Darwin and Tasmania. The remote two operator markets are the Remote Central and Eastern market and the Western Australia Regional and Remote market.

The report provides a detailed analysis of the features of the solus operator and two operator markets and the current



The report

To see the report, *Adequacy of Local News and Information Programs on Commercial Television Broadcasting Services in Regional and Rural Australia (Solus Operator and Two Operator Markets)*, go to: www.aba.gov.au/store/investigations.htm

The 2002 report, *Adequacy of Local News and Information Programs on Commercial Television Broadcasting Services in Regional Queensland, Northern NSW, Southern NSW, and Regional Victoria*, is also available, on www.aba.gov.au/store/investigations.htm



provision of local news and information programs by commercial television services in these markets.

The investigation

This is the ABA's second report following its decision, on 22 November 2001, to investigate the adequacy of local news and information programs provided on commercial television broadcasting services in regional and rural Australia. The first report was released in August 2002, and dealt with the four mainland aggregated television markets of Regional Queensland, Northern New South Wales, Southern New South Wales and Regional Victoria (Approved Markets A, B, C and D).

The investigation was a response to community concerns at the time about the closure of news bureaux in Canberra, Cairns, Townsville, Darwin and Alice Springs by Southern Cross Broadcasting (Australia) Limited in November 2001, following similar closures by Prime Television Limited in Canberra, Newcastle and Wollongong in June 2001.

The ABA called for submissions from the general public and interested parties, and surveyed all non-metropolitan commercial television broadcasting licensees. The ABA visited commercial television stations and held public meetings in a number of locations in regional and rural Australia in early 2002.

Submissions from regional broadcasters who had closed their local news bureaux emphasised the high costs and low ratings of the programs.

There was, however, significant community concern about the closures, particularly in the mainland aggregated television markets.

Localism

The concept of localism has been one of the main themes underlying broadcasting legislation, policy and planning over many decades. An object of the Broadcasting Services Act is:

To encourage providers of commercial and community broadcasting services to be responsive to the need for ... an appropriate coverage of matters of local significance. (paragraph 3(1)(g)).

The Act addresses this object to some extent by specifying a minimum obligation on licensees to provide a service that 'contributes to the provision of an adequate and comprehensive range of broadcasting services in [the] licence area'.

Aggregated markets A, B, C and D

The aggregated markets A, B, C and D were created by joining together the service areas of monopoly provider commercial television services to create larger competitive markets, which had three commercial television providers.

In its 2002 report, the ABA found that, in each of the aggregated markets, commercial broadcasters had divided the licence area into smaller sub-markets for the purposes of providing community-specific advertising matter. Some of the commercial broadcasters were also providing community-specific local news or information programs to these 'sub-markets'. The ABA has found that these

'sub-markets' generally corresponded to the major population centres of the licence area, which were also the pre-aggregation service areas.

On 8 April 2003, the ABA decided to impose an additional condition on the licensees in the approved markets A, B, C and D. The additional condition required each commercial television broadcasting licensee to broadcast a minimum amount of programs about matters of local significance to defined 'sub-markets' within each of their licence areas. The licence condition came into effect on 1 February 2004.

Aggregated and solus and two operator markets

The ABA has found that the solus operator and two operator markets are not similar to the aggregated markets A, B, C and D. Their geographic reach is much wider and their population and population densities generally much smaller. The licence areas cover all states of Australia, and almost 91.5 per cent of Australia's land mass, yet account for only 9.7 per cent of its population.

In the ABA's view, the solus operator markets are more like the pre-aggregated service areas than the aggregated markets, and, with the exception of Tasmania, the two operator markets are either similar to the pre-aggregation service areas or have population characteristics that do not warrant subdivision of the market. Only three of the licence areas in the solus operator or two operator markets have been divided into sub-markets to provide local program inserts, in a way simi-

lar to the sub-markets in the aggregated markets. Accordingly, the ABA determined that, in considering the provision of local news and information programs in the solus operator and two operator markets, it is not appropriate to apply the approach it took in the mainland aggregated markets.

Furthermore, the considerable differences between the various non-aggregated markets required that they be examined in turn by the ABA, to establish whether any regulatory intervention was appropriate in those markets.

Local news and information programs in non-aggregated markets

The ABA has found that in each of the solus operator and two operator markets, at least one commercial television broadcasting service was providing local news and information programs for that market.

Population, population density, revenue, profitability and costs associated with the implementation of additional commercial television broadcasting services and the transmission of commercial television broadcasting services in the solus operator and two operator markets are such that it is not appropriate, at this time, to require licensees in those markets to provide additional material of local significance.

The ABA has undertaken to review that the condition it imposed on the aggregated markets in 2006, including whether it would be appropriate to extend the licence condition to licensees in the solus operator and two operator markets.

