

Communications Update

A Monthly Round-Up of Media and Communications

Issue 86 • March 1993



ALP 'Lost the Plot' - Richo

During the 1980s, the Labor Government did not do much of a job on the radio industry. Its intentions were OK, but the results were 'not too flash'. It started to believe its own rhetoric about leaving decisions to the marketplace. In the end, it lost the plot.

If this claim had been made by a representative of the Federation of Australian Radio Broadcasters (FARB), no-one would have blinked. What was startling was that it was made by former Labor Communications Minister Graham Richardson at a CLC conference, *Radio Towards 2000*, held last month in Sydney. Underlining his credentials for speaking at the conference, Senator Richardson said he had been a director of (ALP-owned) radio stations 'on and off for about 20 years'.

Among Labor's 'fundamental errors', Richardson said, were the auctions of FM licences, when ridiculously high prices were paid.

Richardson said he believed that we now had a very good industry, by comparison with the UK, which he judged to be 'pathetic'.

He regretted the non-implementation of the 'two to a market' rule under which existing licensees would have been allowed a supplementary licence. It was a good idea and could have had a beneficial effect on diversity, he said. Existing players *should* have the opportunity to get into the system.

The answer to the industry's current problems is not injecting more competition and dividing up an ever smaller revenue cake, Richardson believes. He is concerned about the potential for hundreds of new services to be delivered with the advent of Digital Audio Broadcasting (DAB), when there are already many diverse services provided by the different sectors.

The existing industry will battle to survive in the face of massive diversification, 'and probably won't', the former Minister said. He challenged the radio industry to 'fight a lot better than you did in the 80s'. They had been far too willing to lie down and die, but this time they would be buried forever unless they fought back.

In a reference to the codes of practice specified under the new Act, Richardson said the same codes should apply to the ABC. In a clear sop to ABC Radio's critics in the commercial sector, he said he did not see how allowing the use of four-letter words on the ABC advanced the cause of Australian culture. □

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