Radio: calm before the storm

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Most radio industry developments are likely to occur in country areas in 1996. The slower than expected pace of the Australian Broadcasting Authority's (ABA) planning process will mean that there will be few new operators of commercial or community services going to air on a permanent basis over the next twelve months.

However, a second commercial radio service operated by the incumbent commercial broadcaster is likely to commence in many regional markets and the Australian Broadcasting Corporation will continue with the progressive roll out of its second regional and Triple J networks into selective country markets.

Each of the four radio broadcasting sectors will continue to examine and assess the opportunities and threats associated with digital broadcasting and the Internet.

The commercial sector

In the commercial sector, most activity is likely to occur in regional areas where the existing operators of commercial services in 54 solus markets have been offered a second supplementary style licence, following recent amendments to section 39 of the Broadcasting Services Act. Applications for such licences must be lodged with the ABA by 5 March of this year.

Following the finalisation of licence area plans by the ABA for certain Group One markets, new independent commercial licences also may be auctioned during the year in a few regional centres including Mildura, Darwin, Orange and Dubbo. This means that listeners in a number of country areas could have access to a second commercial radio service, provided by either the incumbent or a new commercial operator, by the end of the year.

The impending arrival of such additional commercial services could also further the process of ownership consolidation in country areas. Multistation regional radio groups, such as those owned by Rural Press, Sea FM, Broadcast Media Group, Bill Caralis and Janet Cameron, are likely to continue to grow further, while solus station owner/operators are likely to become increasingly scarce.

In contrast, there are likely to be few major developments in the metropolitan markets where the levels of duopolies and ownership concentration are already high. Among the 34 commercial stations operating in the five mainland metropolitan markets, 26 already are operated as part of duopoly arrangements and 28 are owned by one of the seven multiple station owners.

With the ABA unlikely to finalise any local area plans for metropolitan markets until well into 1997, commercial broadcasters in these markets are likely to focus on continued cost control, the selective networking of programming and a further examination of digital broadcasting.

The national sector

The ABC's major expansion will occur in country areas with the continued roll-out of both the Triple J and the second regional networks, while in metropolitan areas, it will hope to see further growth in listenership to its little publicised, but increasingly popular, News Radio service.

The Special Broadcasting Service hopes to extend its regional network during 1996, however such a roll-out will depend on a special budget allocation later this year.

The community sector

Permanent access to the airwaves for aspiring groups, and competition from narrowcasters in selective areas, are likely to be the major issues confronting community broadcasters.

Delays in the ABA's planning process have meant that many aspirant community broadcasting groups have had to be satisfied with irregular and limited test transmissions pending the finalisation of licence area plans and permanent new community licences.

Community broadcasters also are likely to challenge the activities of a small number of narrowcasters who are alleged to have exceeded transmission power limits and the ABA's narrowcasting guidelines.

Access to spectrum and licence renewals and tenure will be the major issues confronting narrowcasters during the coming year. Lack of suitable numbers of medium and high powered frequencies has meant that the majority of the 1,500 licensed narrowcasters are yet to get their proposed services to air.

While many tourist, racing and ethnic language services are up and running, a greater number of other planned services dealing with children's educational and traffic advisory services have yet to receive a frequency allocation.

Waiting for the big one

On balance, 1996 is likely to be a year of comparative calm before the storm of new competition hits the radio industry when the ABA's planning process moves into the larger radio markets during 1997, and as the prospect of digital broadcasting becomes more of a commercial, as well as a technical, reality for the industry. ❑