

News

Telecommunications

THE Australian Communications Authority has advised that nine organisations have applied to take part in the PCS spectrum auction for licences which could be used to provide mobile phone or other services. Applicants have lodged a total of \$37.1 million in deposits for the auction which is expected this month. They include Catapult Communications Corp. and Global Mobility Networks Inc of the U.S., Vodafone, Telstra, Optus, AAPT Wireless, Hutchison Telephone, OzEmail and OzPhone.

THE Australian Communications Authority has set dates for the provision of local number portability (LNP). The interim date has been fixed at May 1, 1998 and January 1, 2000 is the date for the provision of "full" number portability of

local services other than paging. Provision of limited portability from the interim date will enable temporary LNP for local services other than paging, until LNP is implemented.

THE National Competition Council report on Australia Post has recommended almost total deregulation of Australia Post, with 93 per cent of revenue open to competition by year-end 1999. In response, Australia Post has suggested that the changes to weight and price limits be phased in gradually and that a review of services be implemented in 2003.

Television

FIGURES on spending by pay TV on new Australian drama for 1996-97 show an underspend for the second year in succession, and a decline on the previous year's performance. Total program expenditure

was \$64,581,955 from 15 predominantly drama channels and spending on new Australian drama totalled \$3,242,754. Overall 5.02 per cent of total program spend by pay TV was spent on new Australian drama in the period ending June 30, 1997.

NEW rules introduced by the government will give free-to-air broadcasters control over the retransmission of their own signals. The rules mean that pay TV operators, previously allowed to retransmit free-to-air television or radio signals without seeking the consent of the originating broadcaster, will now have to reach an agreement with the broadcasters for retransmission.

THE Australian Broadcasting Authority (ABA) has extended the current permission for Optus to transmit an

analog signal of Golden West Network's SSW service by satellite until May 15, 1998, at which time the ABA will review the permission. The extension is intended to give viewers in remote Western Australia - who lost the service in February - adequate time from the start of digital satellite broadcasts to complete the purchase of appropriate equipment.

THE government is amending the Broadcasting Services Act to require pay TV operators to comply with the 10 per cent Australian content rules. The decision not to increase the requirement but to enforce the 10 per cent levels follows a review of the Australian content rules. The onus will be on licensees to ensure that the required expenditure is made. The requirement will continue to apply to mainly drama channels.

From the archives...

Fallout from the Free Marketeers

The collapse of Senator Gareth Evans' deregulatory ownership package means Rupert Murdoch, Warwick Fairfax, Alan Bond, Frank Lowy and Chris Skase will have to sell off some of their television assets

The recent debate between the free marketeers in Canberra is set to trigger another round of buying and selling in television licences.

The trade-off between Evans and the ALP federal caucus means that both Warwick Fairfax and Rupert Murdoch must reduce their television holdings

in Networks Seven and Ten by at least 10%.

Meanwhile, Evans' failure to deregulate the television ownership limit means that all the major network owners will have to sell off at least one television station before aggregation to stay below 60%.

Evans' arguments for lifting the national audience limit to 75% are spelled out in a paper prepared for ALP caucus.

On networks:

"Strong, independent, competitive, commonly owned networks can be argued to be the best

long term guarantee that existing Australian production will survive and grow in quantity and quality."

On aggregation:

"The establishment of two additional commercial stations in regional areas requires considerable infrastructure development beyond the resources of small operators, a number of whom have left the market. Given that the three regional services, when established, will each affiliate through ownership or other arrangements with one of the networks, there does not appear to be any public

benefit reason in requiring divestiture to reach a figure of 60% or below."

On capital city ownership:

"The existing 60% limit does not allow for common ownership in the five mainland capitals. There is no self-evident policy reason why the fifth capital city should not be commonly owned with the others."

It is perhaps not surprising that Evans failed to convince the Coalition and Democrats and had to make considerable concessions within his own party.

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