

News

Television

OPTUS and Austar have finalised an agreement to establish a satellite distribution joint venture and a programming supply. The 50/50 joint venture will own and operate the satellite distribution platform which is currently delivering Austar's range of channels to its 210,000 subscribers in regional Australia. In addition, Optus will provide Austar with certain programming from the Optus channel line-up which will be delivered over the new joint venture platform.

THE ABC will receive Phase 1 funding for digital conversion of about \$4 million a year over five years, totalling \$20.8 million. ABC managing director Brian Johns said that the funding would allow "a foot in the door" approach to digital broadcasting but was only the initial step. Fellow public broadcaster SBS will receive \$17.7 million over the same five year period. It will use the budget allocation to assist with the upgrade of its equipment and facilities to digital. Funding for its transmission costs will also be considered at a later date. Both broadcasters are to receive the full 7Mhz of digital spectrum free of charge.

Online

THE number of Australians accessing the Internet from home has been doubling every year since 1996,

according to *Use of the Internet by Householders*, a new report from the Australian Bureau of Statistics (ABS). In February 1996, there were roughly 250,000 home Internet users compared to one million in February 1998. The ABS figures show that 23 per cent - or three million Australians aged 18-plus - signed on to the Internet from work, home or another location in the 12 month period to February 1998. Some 1.3 million Australians access the Internet from work, one million from home and 1.5 million from other locations such as a neighbour or friend's house, a place of education or a public library. But while usage of the Internet has grown, household purchases made online for private use has remained small, an estimated 207,000 people having made private purchases via the Internet in the 12 months to February 1998. Use of the Internet is proportionally more popular with younger people, some 42 per cent of all those in the 18-24 age group having accessed it in the past 12 months. Those in the 25-39 age group represent the largest user group (roughly 1.3 million) and of the total three million Internet users, 1.7 million were male and 1.3 million female.

THE Australian Competition and Consumer Commission (ACCC) has issued its first competition notice under powers granted to it by the government at the time of

telecommunications deregulation in July 1997. The ACCC alleges that Telstra engaged in anti-competitive conduct and breached the Trade Practices Act by charging other Internet wholesalers 19 cents a megabyte for data but paying nothing for the data it received from them. Telstra must alter its wholesale Internet pricing policy or face legal action and fines which may cost it more than \$10 million.

Copyright

AUSTRALIA'S federal government has welcomed the New Zealand government's removal of controls over importation of legitimate copyright protected goods, saying that it is a ringing endorsement of its efforts to ensure that everyone in Australia benefits from cheaper CDs. A joint statement from the Australian Attorney-General and the Minister for Communications, the Information Economy and the Arts said that the New Zealand decision was taken in support of a more open and competitive economy, precisely the reason why the Australian federal government has tabled legislation to remove parallel import restrictions, allowing third parties to import legitimate copies of music CDs and goods with copyright packaging and labelling that is not counterfeit or pirated. Opposition to the bill highlights the fact that the end of parallel import restrictions and advent of

lower priced CDs will endanger the local music industry. The New Zealand government's decision followed an independent report by the Institute of Economic Research which found that the net impact of removing parallel imports was likely to be positive.

People

PERSONNEL changes at John Fairfax Holdings Ltd have been coming thick and fast since the appointment to its board and chair of Brian Powers who retired as executive chairman and a director of Kerry Packer's Publishing & Broadcasting Ltd board on May 18. Only three days after Mr Powers' appointment, *Sydney Morning Herald* publisher and editor-in-chief John Alexander resigned but it is not known why. Mr Powers has contracted to acquire some 14.9 per cent of the FXF Trust which in turn holds roughly 14.9 per cent of the shares of John Fairfax Holdings Ltd. The FXF Trust is part-owned by rival publisher Kerry Packer. In response to Mr Powers' appointment, the Australian Broadcasting Authority is investigating whether it breaches the cross media rules of the Broadcasting Services Act. Clauses 2 and 3 of Schedule 1 of the Act state, among other things, that a person holding interests in a company in excess of 15 per cent is regarded as being in a position to exercise control of that company.