Book review

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prefaced by the financial manoeuvre in 1996 which saw Murdoch raise US$1 billion through a convertible share issue, putting up 10 per cent of BSkyB as collateral in order to raise money to feed his ventures in the U.S. and Asia.

Perhaps the most underplayed part of the tale is the appointment of Murdoch's daughter Elisabeth to a position at BSkyB in 1996. Brief mentions of her ascendancy to senior management at BSkyB in the final chapters explain little. But then this book isn't really about Elisabeth. It's about the ironclad rule of Sam Chisholm and his relationship with Rupert Murdoch, and how in June 1997, after an incredible rollercoaster ride to success, the chief executive lost his position as a favoured son.

Karen Winton

From The Archives

The Pay TV Report: A Sampler

The report "Future Directions for Pay Television in Australia" was the result of the departmental review of policy options for the introduction of pay TV initiated in April 1988 by then minister Gareth Evans. Follow some of the proposals identified in the report.

If pay TV were to be introduced, the principal objective for its introduction should be to increase diversity of choice in television services in response to viewer demand.

The impact of pay TV on broadcasters' advertising revenue would not be substantial for some years. Factors which could mitigate the impact could include equity participation by commercial broadcasters in pay TV.

Single-channel UHF could be available almost immediately, DBS not until 1992 and cable could probably not serve significant areas of the population until well into the 1990s.

Pay TV would provide installation, marketing, manufacturing and service opportunities for Australian industry.

"Conduct" regulation accepts that monopoly in supply of carriage and content for pay TV is unavoidable but seeks to restrain monopolistic behaviour by regulation of conduct. This option implies that there would be no substantial barriers to entry and the existence of a powerful regulatory body. The alternative is "structural" regulation, which separates programming services from the inherently monopolistic area of distribution and delivery. This would require that the national telecommunications carriers would provide distribution and delivery systems but would not be allowed to compete in the provision of content. It would avoid barriers to entry while encouraging flexible responses to the market.

Licences could be allocated through a variety of means including auction, tenders, lotteries or "over the counter" sales. Auctions or tenders generally produce the most desirable economic result in a situation where there is some restriction on the supply of licences.

Several options exist for regulating pay TV, including the ABT, the Minister for Transport and Communications, and AUSTEL.

To some extent, a combination of existing regulatory bodies such as the Trade Practices Commission, the Foreign Investment Review Board and the Prices Surveillance Authority could also be used.

A key question is whether pay TV operators should be permitted or forced to carry free-to-air signals or other services like community access channels.

Another key question is whether pay TV should be treated as a broadcasting type industry or as a publishing industry.

One approach to "siphoning" would be to define a list of programs which may not be siphoned; another would require that pay operators do not acquire exclusive rights to programming.

Decisions on the type and number of service may be better left to the market to determine.

A different and less restrictive approach to Australian content could be taken - for example, more flexible means of stimulating production could be considered, such as a commitment to spend a proportion of revenue on Australian production.

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