

Communications and the Liberals

The Liberal Party's Communications Policy promises increased competition and a less regulated market. Ranald Macdonald looks at the implications for media ownership.

Let's begin by stating the underlying principle that supports the Opposition's approach to communications.

The Opposition believes that by issuing more television and radio licenses and bringing about further deregulation, the resultant competitive market will ensure better programmes, more employment, greater diversity of ownership and freedom of choice for consumers (viewers, listeners and readers) and suppliers (journalists, creative talent and others involved in production).

John Howard was initially opposed to the Government's introduction of cross ownership limitations - the one thing that the Hawke Government introduced which caused divestiture and limited the size of some of the media groups. That is, limited them from all powerful to powerful, from gigantic to just huge.

The "Duffy Memorandum", which followed Rupert Murdoch's takeover of the Herald and Weekly Times, has resulted in new players in the media game. As they keep changing, one should spell them out - Westfield (and Frank Lowy), Bond of Bond Dalhold, Skase of Quintex have joined the reduced Fairfax empire and Packer (now undisputed magazine king and owner of the Canberra Times).

At this stage, I will pass by the management buyouts of the Brisbane Sun and the Adelaide News - and Holmes A'Court.

Radio with Hoyts, Wesgo, the new owners of the Macquarie network and other investors in the airwaves are of only peripheral interest in the overall scheme of things.

That is, unless a Howard-led Liberal/National coalition government removes the cross media ownership restrictions, or the Trade Practices legislation continues to be ineffectual.

The new media barons are incredibly powerful in the branch of the media they have chosen. And I suppose it is just possible that these people (who often administer conglomerates in a quite personal and ruthless way) would not influence a newly-elected conservative government against full implementation of its media policy. With additional television and radio licenses it is not hard to conjecture on the impact this move would have on electronic media profits.

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The Opposition policy promised by John Howard - and presumably fully backed by the National Party (despite recent differences over television reach levels and country television agglomeration), includes the following promises:

- Streamlining a "relevant" Australian Broadcasting Tribunal.
- Continuing cross-ownership controls introduced by the Labour Government.
- A press free from government control.
- The issuing of new television licenses where appropriate.
- Acceptance of a further extension of television networking to allow economies of scale.
- Immediate introduction of pay and cable television.
- The issuing of additional radio licenses in the FM band.
- Maintenance of existing ownership limits applying to radio (16 stations).
- Lifting of the present restriction of television networks having a maximum 60 per cent reach of the total Australian population.
- A more efficient and effective ABC and SBS, less reliant on public funding - with SBS maintaining its separate identity.
- Full private sector ownership of Aussat with OTC, Telecom and Australia Post becoming public companies.

In short, the Liberal and National parties have backed increased competition, greater

public ownership of government enterprises and a freer, less regulated market.

While this philosophy may have attraction to advocates of the free market economy, de-regulation, free enterprise or whatever, there are some important counter viewpoints.

First and foremost is that media ownership is different to the ownership of mattress and manufacturing plants or flour mills. The media deals in information, debate and diversity of viewpoint and they are based on the underlying principles of the public's right to know and freedom of expression.

Also, the current situation of media ownership and its concentration in Australia is totally unsatisfactory. Therefore, other areas which could be used to ensure diversity of ownership and genuine competition throughout the media spectrum, i.e. trade practices legislation, foreign ownership guidelines, industry self-regulatory bodies and broadcasting legislation, all need to be reviewed.

In the home of free enterprise, the United States of America, there is strong anti-monopoly legislation and also special evaluation of media ownership and its implications. In Britain too, there is recognition that public interest is involved in ownership and control of the nation's media.

Why not here?

It can't be assumed that simply handing out more television and radio licenses equates with better programmes.

A policy of less regulation and "economies of scale" results in the rich and powerful becoming more rich and more powerful.

There are players in the game who have a media arm in their huge conglomerates which presumably will be expected to perform in line with other group investments, whether they be in mining or property speculation or whatever. Worse, perhaps, the synergy expected relates to benefits the media ownership can bring to the rest of the group. For synergy, read self or corporate promotion; the selling of old scores, pressurising, lobbying managed or slanted news - in short, anything that benefits the corporation or its owners.

Already Mr Bond has declared that his television network is not providing a satisfactory return on his investment. Well, it was his decision to pay one-billion dollars for the

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Nine Network - heaven help The Age if someone actually does spend 700-million dollars odd to buy it! and then seeks a satisfactory return.

On a lighter note and speaking of competition, for 2 cars and the Sale of the Century cash you are invited to identify the last two shadow ministers of communications - that is since Ian MacPhee was relieved of his crusading role.

The Hawke Government also recently changed horses but that is an easier question. The admirable Michael Duffy was taken over by the Evans juggernaut - Gareth is happy to hold forth on any subject so why not the media even if the PM/Keating alliance makes the media decisions.

By the way, the answer is Julian Beale and Tony Messner, with one out of two being a good pass.

I end this review, as I began it. It is all well and good assessing a policy document prepared while parties are in opposition, but how much of it will be implemented?

Neither the current media position for the Opposition's vision even remotely satisfy the most basic tests as to community need or public interest.

Let's hold Australia's first Royal Commission into the Media - electronic and print - and bring it all out in the open away from politics. Then let's actually do something to solve the problem - for problem there is.

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interests still exceeding the new limits after five years, that just confirms the need for a sunset clause in order to ensure that stated policy of Parliament embodied in the substantive rules for the ownership of broadcasting is reflected in the real world. Let's not pretend that anyone in Government or Parliament considered the grandfathering provisions as an intrinsic part of the policy (if they even bothered to read them) - they were just there to smooth the passage.

A Government lacking the intestinal fortitude for even this moderate measure could add a provision allowing the Tribunal to defer the sunset date for up to another six months or a year, where certain economic damage can be proved that was not the result of procrastination or other default on the part of the interestholder.

Without a sunset clause on excess interests, the new ownership limits may be no more than symbolic policy. In my opinion, the Government should prepare its broadcasting grandfathers for a dignified but definite end.

Leo Grey

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CAMLA also publishes a regular specialist journal covering communications law and policy issues - the Communications Law Bulletin.

The Association is also a useful way to establish informal contacts with other people working in the business of communications and media. It is strongly independent, and includes people with diverse political and professional connections. To join the Communications and Media Law Association, or to subscribe to the Communications Law Bulletin, complete the form below, and forward it to CAMLA.

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