# Submissions call for diversity, plurality and access

Michelle Lam examines some of the key submissions to the Productivity Commission's Review of Broadcasting Regulations

# P J Keating

Paul Keating's submission to the Productivity Commission was about diversity and plurality in the media so that citizens could have access to a wide range of views and make informed, balanced decisions about what was going on. He cited examples from the past about the utility of such rules and argued that they should be retained to "safeguard diversity and thereby safeguard our democracy". Firstly, Keating advocated the tightening of cross media rules to five per cent to "maintain effective separation while facilitating tail-end holdings". Separate ownership of different media would mean a greater range of news and information. He rejected the notion that technological convergence gave media moguls an excuse in the name of operational efficiency to concentrate their ownership. In his view, the question to be asked was a social one. Secondly, he said that foreign ownership laws should be retained to promote national views and prevent any "supra-national" view to be imposed on Australians. Finally, he said that local content rules were important to promote Australian-ness.

#### **Australian Writers' Guild**

AWG's submission emphasised the importance of Australian content in commercial television. It argued for improved program licence fees to attract local production in drama, children's programming and documentaries and said that this would provide incentives for the local production industry as well as Australian writers. AWG criticised the present regime, saying it did not give a fair price for the product especially when compared with how well local dramas fared in the ratings. In addition, the High Court's decision last year in *Project Blue Sky* was criticised and a suggestion was made for future trade agreements to contain cultural exemptions.

### **WIN Television Network**

WIN's submission dealt mainly with the issues of ownership and control of media. It was concerns with the limitations on capital that could be raised under the current foreign and cross-media ownership rules; and the impact they had on regional broadcasters' abilities to serve their geographically dispersed audiences. It argued for different rules to apply to regional broadcasters. The 75 per cent population reach rule should be retained to ensure continual employment, local programming and advertising and development in regional areas. On the other hand, foreign ownership rules should be relaxed to 49 per cent or abolished alto-

gether. The rationale here was that with convergence "it may be difficult to accurately separate and recognise commercial television broadcasting from the 'new media'". WIN stated that cross media rules in regional Australia should also be abolished because the advantages of doing so (helps maintain/ strengthen local identity and commercial viability) far outweighed the disadvantages.

#### **Network Ten**

Ten supported the abolition of the current foreign and cross media ownership rules. In its submission, it stated that to achieve a plurality of viewpoints, foreign investors needed to be welcomed into the market as Australia could not support more than one or two large (local) media players. It justified this assertion with the fact that this would increase liquidity and depth in the market, as well as the ability to compete globally; and share knowledge and expertise. Australian content could continue to be protected by content regulation. Ten's reasoning was that "Australian content is today determined by regulated standards, and by market demand...[Therefore], increased foreign ownership will not impact on the reflection of Australian culture". This would also lead to the dumping of the cross media ownership rules because according to Ten, diversity of ownership could be attained with different foreign investors. Ten proposed a new test for diversity: the percentage of the advertising market plus the percentage of advertising revenue to define the level of influence. This test would take into account the influence of new media technologies. Finally, Ten

argued that the 75 per cent audience reach rule should be abolished, stating that local content could be determined by consumer demand.

#### **Seven Network**

Seven made a cautionary note on any changes in the present regime because of the investments that commercial television stations were making into the transition to digital transmission. It submitted that areas like children's programming, Australian content standards and datacasting requirements could do with changing. With children's programming, it argued that the present regime failed and that other means should be adopted to achieve the ends, for example, a production fund. It suggested that "Australian" content should be more liberally defined so that the finished product would be readily exportable to recoup costs. Alternatively, some type of production fund should be set up. Seven submitted that there were disparities in the regulatory environments existing between pay and commercial TV and argued for a level playing field. Finally, it contended that new regulations on datacasting should not allow datacasters to be de facto broadcasters in competition with commercial networks.

# CanWest Pacific Communications

Not surprisingly, CanWest, a foreign company with a majority economic interest in the Ten Network and recently involved in a court battle over Australia's foreign ownership rules, advocated the removal of those rules. It argued that liberalisation of foreign ownership was the answer to the problems of cross-media ownership, content regulation and the raising of capital. Its submission

cited its experience in the liberalised New Zealand market as proof that foreign ownership could increase capital, lead to a variety of views, increase diversity in ownership, share expertise and knowledge and open up international opportunities. With the acceptance of foreign ownership, there would be no need for cross media regulations because the diversity would come from differ-

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ent foreign investors thus preventing concentration at the local ownership level. Issues of Australian content could be dealt with by content standards and through the National Broadcasters. CanWest said it supports the retention and enforcement of rules governing the production and airing of domestically produced programming on television". Its stance was that existing content requirements combined with diversity in ownership through foreign investment would ensure the achievement of the government's media objectives.

## **Prime Television**

This submission called for the removal of cross media ownership rules and advocated instead a selfregulatory regime for the television broadcasting industry. Prime believed that a "self-regulated industry would be mature enough to ensure the effective promotion of opinion and the prevention of concentration of political power in the hands of a few." It was also mainly concerned with maintaining access to adequate broadcasting services in regional and rural areas. Prime believed that the current industry structure of three commercial television stations and two national broadcasters was a sufficient safeguard of diversity in news, current affairs and political commentary. Like WIN, Prime approved of the 75 per cent audience reach rule as it "ensure(s) equity between networks and affiliates". It asserted that the current rules on ownership and control did not effectively ensure diversity of opinions; the nationality of the owner being unlikely to influence programming. Content control was better achieved through self-regulatory codes of practice or program standards. With regards to program standards, Prime also supported selfregulation, taking into account consumer demand. Being a regional broadcaster, it voiced concern over forced digital conversion as putting too heavy a burden on them. Its comments on licensing fees were limited to ensuring fairness and equity; and using the funds to develop the Australian production industry.

Michelle Lam