



Australian  
Broadcasting  
Authority

**annual report**

**2002-03**

## OUR VISION

A regulatory environment in which accessible, diverse and responsible electronic media services thrive.

## OUR MISSION

Promoting and safeguarding the community's interests in electronic media by –

- > planning and allocating spectrum efficiently for an accessible and diverse range of broadcasting services
- > fostering a regulatory environment in which electronic media respect community standards and respond to audience and user needs.

Australian  
Broadcasting  
Authority

Annual Report

2002–03

Sydney  
2003

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24 September 2003

Senator the Hon. Richard Alston  
Minister for Communications, Information Technology and the Arts  
Parliament House  
Canberra ACT 2600

*Dear Minister*

In accordance with the requirements of section 9 and Schedule 1 of the Commonwealth Authorities and Companies Act 1997, I am pleased to present, on behalf of the members of the Australian Broadcasting Authority, this annual report on the operations of the Authority for the year 2002–03.

*Yours sincerely*  
*David Flint*

David Flint



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## Members' report

### Local content on regional TV

In August 2002, the ABA released a report on its investigation into the adequacy of local news and information programs on commercial television broadcasting services in the four aggregated markets of Regional Queensland, Northern NSW, Southern NSW and Regional Victoria. The report contained a local content condition that the ABA proposed to impose on commercial television broadcasting licences in those markets.

Following submissions on the proposed condition, on 7 April 2003, the ABA decided to proceed to impose an additional condition on the 13 licences in the four aggregated markets. The licence conditions will divide each aggregated television market or licence area into a number of local areas, reflecting the different communities of interest within that aggregated market. All regional television licensees in the four markets will be required to broadcast material of local significance to meet a weekly points total in each specified local area.

While the conditions are to apply only in these four regional markets, this decision demonstrates the ABA's concern about the broadcast of matters of local significance, especially news, throughout all of the Commonwealth.

The ABA decided that local programming may be provided by less than three broadcasters in some areas. By not requiring licensees in Northern New South Wales and Regional Queensland to provide local programming to every local area in their licence area, the ABA is aware there is the potential, probably hypothetical, that a smaller region could not be

served at all. The ABA does not expect this to happen. If it does, the ABA will intercede to rectify the situation.

Moreover, the condition does not specifically mandate local news. The ABA expects that each local area will have at least a daily bulletin containing local news. If this situation were to change, however, the ABA would intervene immediately.

There is sufficient flexibility in the condition for licensees to provide diverse and innovative local and licence area material. The ABA has also given licensees broad time-zones, so that they will be able to accrue points from 6.30 am to midnight Monday to Friday, and 8 am to midnight on Saturday and Sunday.

To allow time for broadcasters to implement compliance strategies, the requirement to keep records for compliance purposes will not commence until 1 February 2004.

### Radio and television planning

Following the completion of its comprehensive radio planning tasks in December 2001, the ABA has begun replanning radio services in areas of Australia where it has received requests from interested parties to do so. The ABA has developed new licence area plans for television services in metropolitan areas, and intends to complete all analog television plans by the end of 2003.

In 2002–03 the ABA continued to allocate spectrum for analog television services. The ABA assists the Department of Communications, Information Technology and the Arts in administering the Television Fund,

which funds programs to improve television reception. One such program is the Television Black Spots Program. The aim of this program is to help alleviate problems with television reception experienced by communities around Australia. A 'black spot', for the purposes of this program, is an area where the reception of one or more commercial or national television services that should be available locally is either poor or non-existent. In the Budget for 2002–03, the Government announced a further \$13.3 million for the Television Black Spots – Alternative Technical Solutions Program. This program is intended to further improve television reception in regional areas, by developing alternative solutions for those eligible applicants who could not be assisted under the black spots program.

Throughout 2002–03, the ABA issued 209 apparatus licences to coordinating bodies under the black spots program. The ABA has issued a total of 695 apparatus licences under the program.

Of the 276 areas where planning has been completed, the coordinating bodies of 101 of them have advised that they have commissioned their services.

In the reporting period, digital television services commenced in many markets across Australia. The ABA finalised a variation to its digital channel plan for Inland NSW making

channels available for digital television in the Murrumbidgee Irrigation Area, and also finalised a variation to the digital channel plan for Tasmania making channels available for the third, digital only, commercial service. It also prepared draft digital channel plans for Remote and Regional Western Australia and draft variations in Brisbane, Northern NSW, Inland NSW, Regional Queensland and Tasmania.

### **New licences**

The ABA issued a commercial television broadcasting licence under section 38B of the *Broadcasting Services Act 1992* to TasTV Pty Ltd. The licence is to provide a digital-only service. The company is jointly owned by Southern Cross Television (TNT9) Pty Ltd and WIN Television TAS Pty Ltd, the existing licensees in the Tasmanian licence area. This is the first commercial television licence the ABA has allocated under section 38B.

Following auctions in Brisbane in August 2002, the ABA allocated new commercial radio licences for the Gold Coast (to Hot Tomato Pty Ltd) and Nambour (to Sunshine Coast Radio Pty Ltd). Hot Tomato paid \$26 million and Sunshine Coast Radio paid \$8.2 million for their licences.

Following a trial of community television that began in 1994, in February 2003 the ABA sought applications for long-term community



Conferring at the ABA's third annual conference in May 2003, Jeff Bird of Swinburn University and Nigel Milan, Managing Director, SBS.



Also at the conference: Jeff Astle, Digital One; Lee Huber, I&G Media; and Bob Peters, ANZ participated in the panel discussion: *Radio's 70 year itch: the AM and digital challenges*.

television licences in Brisbane, Melbourne, Perth and Sydney. The ABA received 16 applications.

The ABA allocated 28 community radio licences and 39 open narrowcasting licences in the reporting period.

## Online content scheme

### ABA submission to review of the online content scheme

The Department of Communications, Information Technology and the Arts is reviewing the operation of the Online Content Scheme set out in Schedule 5 to the Broadcasting Services Act, and the ABA made a comprehensive submission to the review.

The ABA's submission focused on its activities under the scheme to date, including the registration of three codes of practice developed by the Internet Industry Association, research into Internet safety needs of Australian families and the effectiveness of filter products, the investigation of more than 1500 complaints about Internet content, the development of the Cybersmart Kids Internet safety material, and the establishment of close working relationships with law enforcement agencies and overseas hotlines. The ABA's submission recommended that the approach to Internet content regulation set out in Schedule 5 continue, with periodic

review of the various components of the scheme.

### Community education

Community education remains a key focus of the ABA's activities under the co-regulatory scheme for Internet content. Achievements in 2002-03 include the release of two new brochures in the Cybersmart Kids Internet safety series, bringing the total number of brochures in the series to five. The new brochures focus on tips for minimising spam, and staying safe in chat rooms.

The ABA has continued to develop its strategy for distributing its Cybersmart Kids material, with the focus on forming relationships with educational agencies throughout Australia. ABA members and staff attended and presented at a number of educational conferences, and the Cybersmart brochures were distributed through schools and education departments. By the end of 2002-03, over 54 000 copies of the brochures had been distributed, including 10 000 used by the New South Wales Department of Education and Training in conjunction with their pilot project to rollout email access to students throughout the State.

An exciting development has been the agreement reached between the ABA and Childnet International to trial the Net Detectives online activity in Australian schools in the



The ABA visited Adelaide in March 2003. It conducted a regular board meeting and held an industry reception: L-R: Professor David Flint (ABA Chairman), with Hans and Brenda Degenhart and Jim Milanko of community radio service 5EBI Adelaide.



Ian Robertson (ABA member), the Hon. Michael Atkinson MP (South Australian Attorney-General), Mr and Mrs Kym Bonython, Vickie Chapman MP and Giles Tanner (ABA General Manager).

forthcoming year. Staff used the opportunity provided by a visit to Australia of Nigel Williams, Childnet's Chief Executive, to participate online in a Net Detectives event happening live in the UK. The Australian pilot will happen in September 2003.

### 7th Asia-Pacific regulatory roundtable

The ABA hosted the seventh Asia-Pacific Regulatory Roundtable in October 2002. Delegates attended from Australia, Hong Kong SAR China, Malaysia, New Zealand, Singapore, South Korea and Taiwan.

The Roundtable meetings of broadcast regulators from the Asia-Pacific region are held annually, and are hosted each year by one of the participating countries. The meetings provide Asia-Pacific regulators with an informal opportunity to discuss current and emerging issues, transitional and new technologies, and matters relating to content and public interest.

Three themes were identified for the seventh roundtable, and presentations on each theme were made from one of three perspectives: consumer, industry or regulatory. The three themes were:

- managing industry performance in the public interest

- implications of globalised communications and
- perspectives on the effects of digitisation.

There were two key presentations:

- Audiovisual streaming – technology, industry developments, consumer use and regulatory implications and
- Internet content regulation in Australia – an international cooperative approach.

Mr Colin Griffith of TONIC Media, and Ms Andree Wright, ABA Director Industry Performance and Review made the presentations, respectively.

### Cancellation of licence – ACE TV Adelaide

The ABA investigated whether Adelaide Community and Educational Television Inc. (ACE TV) had complied with the condition on its apparatus licence requiring it to provide its service for community and educational non-profit purposes.

The ABA found that ACE TV had breached the condition on its apparatus licence, and cancelled that licence. For this and other reasons, the ABA also revoked its determination that made spectrum available for the community television trial in Adelaide. ACE TV sought



Delegates to the 7th Asia-Pacific Regulatory Roundtable

reconsideration by the Australian Communications Authority of the ABA's decision to cancel ACE TV's licence. The ABA's decision was affirmed.

### Suspension of licence – 6GS Wagin

The ABA suspended the licence of commercial radio broadcasting service 6GS Wagin in Western Australia for a period of 14 days from 15 June 2003. 6GS operates on a non-broadcasting services bands commercial radio licence. It transmits on a frequency just outside the AM band (1611kHz).

The suspension followed the ABA's finding that the licensee (Cybervale Pty Ltd) breached a condition of its licence in relation to providing audited accounts for the financial year ended 30 June 2002 by the due date of 31 December 2002.

In arriving at the decision to suspend the 6GS licence, the ABA considered the licensee's failure to provide the audited accounts within the prescribed timeframe was a serious breach of the condition of the licence.

As a reflection of the seriousness of the breach, this was the first time the ABA has suspended a commercial radio broadcasting licence

### 2GB & 2CH control investigation

The ABA examined the circumstances by which Mr Alan Jones and his associated companies came into a position to exercise control of the commercial radio licences for the 2CH and 2GB services. It found that there had been no failure to comply with the requirements of the Broadcasting Services Act in relation to notification of 'control' interests in the licences.

Following media reports in February 2002 that indicated Mr Jones had agreed to join radio 2GB in Sydney, the ABA enquired as to whether any disclosure was to be made as to a change in control of the licences owned by Macquarie Radio Network Pty Ltd. To this and a later query, the response was that no change had occurred that required notification to the ABA.

Mr Jones commenced work at 2GB in March 2002.

The mandatory notifications were provided to the ABA in October 2002, and the ABA commenced its investigation in November 2002.

### Subscription television drama expenditure review

On 26 August 2002, the Minister for Communications, Information Technology and the Arts, Senator the Hon. Richard Alston, provided *Direction No. 1 of 2002* to the ABA. The Direction required the ABA to conduct an investigation into the operation of the new eligible drama expenditure scheme for subscription television broadcasting services.

The scheme, which came into effect on 1 July 1999 and which is set out in Division 2A of Part 7 of the Broadcasting Services Act, requires licensees and channel providers that provide a subscription television drama service to spend at least 10 per cent of their total program expenditure on new Australian/New Zealand drama programs each financial year.

In conducting the investigation, the ABA examined the extent to which the scheme is achieving its purpose and the potential for enhancing its operation. Submissions were received from interested parties, including licensees and channel providers in the subscription television industry, the production industry, film-funding agencies and the general community.

The ABA provided a report of the investigation to the Minister on 30 May 2003.

### Codes and standards

#### Review of the Australian Content Standard

Following an extensive review, a new Australian Content Standard came into effect on 1 January 2003. The revised standard maintains the

minimum requirements for Australian programs while including a number of measures designed to improve the operation of the sub-quotas that apply to adult and children's drama. The main variations to the standard are:

- the points system for adult drama to provide greater encouragement for the more expensive formats of series, mini-series and telemovies
- provision of an incentive for independently-produced adult drama
- introduction of new elements of flexibility into the sub-quotas for adult and children's drama.

### Research into community attitudes to violence on free-to-air television

The ABA published the findings of a national research study it commissioned on community attitudes to violence on free-to-air television.

The television violence research found that the level of concern about the portrayal of violence on free-to-air television has decreased over the past decade but that violence remains the main concern.

The ABA commended the findings of this study to Commercial Television Australia as part of its 2003 review of the Commercial Television Code of Practice. The report was released on 7 May 2003 during the annual ABA conference.

### CBA code

At the ABA's recommendation, the Community Broadcasting Association of Australia began to review its existing code of practice for community radio broadcasters in 2001. There were a number of changes made to the code to strengthen some provisions in relation to corporate governance and to remove repetition where it merely re-stated licence conditions. The revised code was registered by the ABA on 24 October 2002.

### Sponsorship guidelines

In November 2002, the ABA launched *Guidelines for Broadcasting Announcements and Other Promotional Material on Community Radio*. The guidelines explain the legislative rules that apply to sponsorship announcements, community information, station promotions and advertising material broadcast by community radio services.

The guidelines resulted from mutual recognition by the ABA and the Community Broadcasting Association of Australia of the need to clarify the legislative provisions concerning promotional material. The Guidelines reflect the ABA's experience in administering those provisions over the past 10 years, and are intended as a reference for the industry.

## The Australian Broadcasting Authority

### Establishment

The ABA was established by section 154(1) of the *Broadcasting Services Act 1992*, and began operations on 5 October 1992.

The ABA is an independent statutory authority responsible through the Minister for Communications, Information Technology and the Arts to the Parliament. It is required to prepare and furnish annually to the Minister a report on its operations during the preceding year for tabling in the Parliament. The Act provides for the appointment of a Chairperson, a Deputy Chairperson and at least one, but not more than five, other Members who may be full-time or part-time. The Members of the ABA are appointed by the Governor-General for periods of up to five years and are eligible for reappointment on one occasion only. The Minister may appoint persons to be Associate Members of the ABA, either generally or for particular investigations or hearings.

### Functions

The primary functions of the ABA are:

- (a) to provide advice to the Australian Communications Authority in relation to:
  - i. the spectrum plan and frequency band plans under the *Radiocommunications Act 1992* and the designation of bands for broadcasting purposes
  - ii. the designation under section 131 of that Act of parts of the radiofrequency spectrum as being primarily for broadcasting purposes
- (b) to plan the availability of segments of the broadcasting services bands on an area basis
- (c) to allocate, renew, suspend and cancel licences and to take other enforcement action under the Act
- (d) to conduct investigations or hearings relating to the allocating of licences for community radio and community television services
- (da) to conduct investigations as directed by the Minister under section 171 of the Act
- (e) to design and administer price-based systems for the allocation of commercial television broadcasting licences and commercial radio broadcasting licences
- (f) to collect any fees payable in respect of licences
- (g) to conduct or commission research into community attitudes on issues relating to programs
- (h) to assist broadcasting service providers to develop codes of practice that, as far as possible, are in accordance with community standards
- (i) to monitor compliance with those codes of practice
- (j) to develop program standards relating to broadcasting in Australia
- (k) to monitor compliance with those standards
- (l) to monitor and investigate complaints concerning broadcasting services (including national broadcasting services) and datacasting services
- (m) to inform itself and advise the Minister on technological advances and service trends in the broadcasting industry; and

(n) to monitor, and to report to the Minister on, the operation of the Act.

In addition, the ABA has other functions under the Act and other legislation. These include giving opinions concerning the category to which broadcasting services belong, and determining additional, or clarifying existing, criteria for those categories; giving opinions on whether a person is in a position to exercise control of a licence, company or newspaper; and administering aspects of the ownership and control rules applying to certain categories of licences. The ABA also issues evidentiary certificates stating that a specified service is, or was, a telephone sex service, pursuant to section 158F of the *Telecommunications (Consumer Protection and Service Standards) Act 1999*.

The ABA also has a number of functions in relation to the regulation of Internet content:

- to investigate complaints
- to register industry codes of practice and monitor compliance with those codes
- to advise and assist parents and responsible adults in relation to the supervision and control of children's access to Internet content
- to conduct and /or coordinate community education programs about Internet content and Internet carriage services
- to conduct and /or commission research into issues relating to Internet content and Internet carriage services; and
- to liaise with regulatory and other relevant bodies overseas about cooperative arrangements for the regulation of the Internet industry.

For the purpose of exercising its powers and functions under the Act, the ABA is obliged to take account of:

- the objects of the Act and the regulatory policy set out in the Act
- any general policies of the Government notified to the ABA by the Minister
- any directions given to the ABA by the Minister; and
- Australia's obligations under the Protocol on Trade in Services to the Australia New Zealand Closer Economic Relations - Trade Agreement.

See appendix 1, Freedom of Information, for more information about the ABA's role and functions.

## Minister

The responsible Minister is Senator the Hon. Richard Alston, Minister for Communications, Information Technology and the Arts.



## Committees 2002–03

The ABA works through a number of committees which are designed to allow its deliberative work to be considered in more detail and to identify relevant and principal issues that need to be brought to the attention of the full ABA. All Members attend meetings of the Planning and Licensing Committee and the Policy and Content Regulation Committee. The Corporate Finance and Administration Committee membership includes four Members. The Audit Committee has a membership of four. The Chairman is always a part-time Member.

Members are kept informed of their responsibilities by way of briefing sessions with senior management of the ABA and Members regularly receive detailed advice on the financial accounts of the Authority. The General Manager and General Counsel attend all Board meetings and Board Committee meetings. Members may obtain additional internal and external professional advice as appropriate. The ABA maintains appropriate registers of private interests and Members are expected to declare any interest whenever relevant.

Committee	ABA	Audit	PCR	CFAC	PLC
Professor David Flint	25	–	12	3	10
Lyn Maddock	24	4	13	5	9
Michael Gordon-Smith	24	3	13	6	10
Robert Le Tet	22	5	11	–	5
Malcolm Long	24	5	12	–	8
Jane Marquard	26	–	13	–	9
Ian Robertson	22	–	9	5	7
Ross Jones	–	–	–	–	–
Dr Robert Horton	6	–	–	–	–

PCR – Policy and Content Regulation  
 CFAC – Corporate, Finance and Administration  
 PLC – Planning and Licensing

## Members of the ABA

The Members of the Australian Broadcasting Authority are:



**Chairman:**

**Professor David Flint AM**

LLM, BSc (Ecs) (London),  
DSU (Paris)

Appointed 5 October  
1997 for three years,  
reappointed to  
4 October 2004.

Professor Flint, Professor  
of Law, was chairman of  
the Australian Press  
Council and Dean of  
Law at the University of  
Technology, Sydney from  
1987 to 1997.

He is president of the  
Australian Federation of  
the English Speaking  
Union, vice president of  
the International Law  
Association and vice  
president of the World  
Jurist Association.

Professor Flint has  
published widely, in  
books and articles, on  
the media, international,  
constitutional and media  
law as well as current  
affairs.

He was made a member  
of the Order of Australia  
in 1995.

He is an associate  
member of the  
Australian Competition  
and Consumer  
Commission.



**Deputy Chair:**

**Lyn Maddock**

BEC

Appointed 13 December  
2000 for three years.

Ms Maddock has  
extensive management  
and public policy  
experience across a  
range of areas, having  
held senior positions  
with the Productivity  
Commission, the  
National Occupational  
Health and Safety  
Commission, the  
Department of Prime  
Minister and Cabinet  
and Westpac Banking  
Corporation.



**Member:**

**Michael Gordon-Smith**

BA (Hons)

Appointed 15 September  
1997 for three years,  
reappointed to

14 September 2004.  
Mr Gordon-Smith was  
formerly the executive  
director of the Screen  
Producers Association of  
Australia, a trustee of  
the industry  
superannuation fund,  
JUST Super and a  
director of the Audio  
Visual Copyright Society.  
He began his career by  
abandoning an  
engineering scholarship  
to pursue an honours  
degree in philosophy. Mr  
Gordon-Smith is an  
associate member of the  
Australian  
Communications  
Authority.



**Member:**

**Robert Le Tet**

BEC (Monash University)

Appointed 10 August  
2000 for three years,  
reappointed to 9 August  
2007.

Mr Le Tet has extensive  
experience in the film,  
television, advertising  
and radio industries  
both domestically and  
internationally.

He has formed and  
raised capital for various  
industry entities and has  
contributed to  
government working  
parties both in Australia  
and New Zealand.

Former industry  
appointments include  
director Crawford  
Productions, finance  
director AAV, deputy  
chairman EON-FM,  
director Cinema Papers,  
chairman 3CV, chairman  
3UZ, member State Film  
Centre and chairman  
and CEO of the  
FilmHouse group of  
companies.

Currently Mr Le Tet  
owns and operates the  
media company  
Entertainment Media  
and a venture capital  
company.



**Member:**

**Malcolm Long**

LLB  
Appointed 10 August 2000 for three years, reappointed to 9 August 2007.  
Mr Long has extensive experience in the national and international broadcasting scene. He is Director of the Australian Film Television and Radio School. As managing director of SBS from 1993 to 1997, Mr Long was responsible for the services provided by SBS radio and television throughout Australia. Before joining SBS, Mr Long held various production and management positions with the ABC rising to the position of Deputy Managing Director. He is a director of Pan TV Ltd which operates the World Movies pay TV channel. Mr Long was President of the Australian Museum (1995–2000) and is a former chairman of the London-based international Institute of Communications.



**Member:**

**Jane Marquard**

BA LLB  
Appointed 8 March 2001 for three years. Ms Marquard was formerly the Manager, Policy Development for Publishing and Broadcasting Limited, and a council member of the Federation of Commercial Television Stations. She has also worked as Corporate Counsel for the Nine Network and served on a number of industry committees. Ms Marquard has experience in the private and public sectors, as a solicitor for Blake Dawson Waldron Solicitors practising primarily in media and intellectual property law, and for the Director of Public Prosecutions, New South Wales. She has served on the board of the Sydney Festival and as a fellow of the University of Sydney Senate.



**Member:**

**Ian Robertson**

LLB, BCom  
Appointed 23 July 1997 for three years, reappointed on 10 August 2000 for a further four years. Mr Robertson is the Managing Partner of the Sydney office of law firm Holding Redlich. He practices commercial and intellectual property law with emphasis on the film, television, advertising and publishing industries. Mr Robertson is the chair of Ausfilm, a former director and deputy chair of Film Australia Limited and a former director of Cinemedia (now film Victoria).

**Associate members**

**Dr Robert Horton**

Appointed 1 March 1998 for the general purposes of the ABA until 30 June 2000, and reappointed to 30 June 2005. Dr Horton is Deputy Chairman of the Australian Communications Authority.

**Associate  
Professor Ross  
Jones**

Commissioner, Australian Competition and Consumer Commission, was appointed for general purposes of the ABA from 2 November 1999 to 13 June 2004.

## Senior staff (by branch and section)



**General Manager** *Giles Tanner*

### Corporate Services



**Director**

*Louise Harkness*

- Human Resources  
*Jill Quinlan*
- Information Management  
*Jenny Brigg*
- Secretariat  
*Marilyn Woolford*
- Resource Management and Planning  
*Paul Tenison*
- Information Technology and Facilities Management  
*Neil Shannon*

### Policy, Legal and Licensing



**General Counsel**

*Jonquil Ritter*

- Legal  
*Margaret Harradine*
- Licensing  
*Christopher Matthies (a/g)*
- Policy and Research  
*Lesley Osborne*

### Planning



**Director**

*Greg Cupitt (a/g)*

- Director Engineering  
*Fred Gengaroli*
- Engineering and Information Services  
*Ennio Ravanello*
- Manager Planning  
*Greg Cupitt*
- Planning  
*Richard Longman*
- Branch Support  
*David Simmons*

### Industry Performance and Review



**Director**

*Andrée Wright*

- Industry Review  
*Andrea Malone*
- Content Assessment  
*Sharon Trotter*
- Industry Performance  
*Helen Ward (a/g)*
- Investigations  
*Phyllis Fong*

As at 30 June 2003

# Achievements against the Corporate Plan 2002–2005

## Goal 1 Increase access to analog radio and television broadcasting services in all areas of Australia

**Strategy 1.1** Complete licence area plans (LAPs) and determine LAP variations for long term use of spectrum

- Television LAPs for all metropolitan television markets, Tasmania and all non-aggregated regional markets completed.
- Draft LAPs for public discussion for two of the four remaining regional markets released.
- Eight variations to radio LAPs completed and two draft variations to radio LAPs released.

**Strategy 1.2** Provide customised solutions to blackspots, interference and other problems that reduce or adversely affect coverage of analog broadcasting services

- Technical and frequency planning support to the Federal Government Television and Radio Blackspot programs (including the Alternative Technical Solutions component for television blackspots) provided. Planning for all identified television blackspots completed during the reporting period: many have required replanning due to a variety of reasons, typically community instigation.
- Planning for 58 radio blackspot services completed in accordance with the Department of Communications, Information Technology and the Arts' required timing.
- All reception complaints regarding analog broadcasting services responded to.
- Complaints arising from the commencement of digital television services were fewer than anticipated: the majority were handled in

the first instance by the broadcasters under the Interference Management Scheme.

**Strategy 1.3** Allocate planned licences in a timely, fair and transparent manner

- Two commercial radio broadcasting licences allocated, for services on the Gold Coast and in Nambour.
- 183 new community radio broadcasting services had been made available in licence area plans by the conclusion of the planning process in December 2001. During the year, the ABA allocated 28 licences, bringing the total allocated to 134. Allocation of a further five licences is continuing (including ones for Blackwater and Moranbah, Queensland). There are no established or suitable candidates for the 47 other licences.
- Allocation commenced for the 96 open narrowcasting radio services made available in licence area plans: the ABA received applications for 39 of the services and completed the allocation of the transmitter licences for these in November 2002.
- Three new community radio broadcasting services have been made available through licence area plan variations since December 2001. The ABA is in the process of allocating licences for the services made available in Blackwater and Moranbah in September 2002 but decided not to allocate a licence for the Sydney service, made available in March 2002, within 12 months of the variation.

**Strategy 1.4** Verify and document the current approach and processes used to respond to interference complaints or reports

- Records maintained of all complaints and inquiries regarding reception and interference.
- Inquiries and complaints are handled within the timeframes specified in the ABA's service charter.

**Strategy 1.5** Review spectrum management methodologies and guidelines to test efficiency of spectrum use.

- Program established for reviewing current spectrum management processes.

**Strategy 1.6** Advise the Minister and department on potential improvements to access for analog broadcasting services

- Provided regular briefings to the Minister on the planning and licensing of analog radio and analog and digital television services throughout Australia, including information on the progress of the Black Spots programs.

## **Goal 2 Facilitate roll-out of digital television broadcasting services by national and commercial television broadcasters**

**Strategy 2.1** Complete digital channel plans that identify channels available for conversion and maximise the opportunity for other services to use the unallocated spectrum during the analog/digital simulcast period

- Draft digital channel plans for Remote and Regional Western Australia completed during the reporting period.
- Draft variations to the digital channel plans covering the digital channels for Sydney, Brisbane, Regional Queensland and regional Tasmania prepared.
- In January 2003 the ABA invited expressions of interests to operate trial datacasting services using the unallocated spectrum planned for digital services. Trials are expected to be conducted in Sydney and Perth commencing in the 2003–04 financial year.

**Strategy 2.2** Assess implementation plans for digital television services to ensure they are achieving the objects of the legislation

- All implementation plans for digital television services assessed within six months of receipt: the majority assessed in less than three months.

**Strategy 2.3** Advise the Minister and the department on issues concerning uses of digital technology to improve access to and diversity of digital broadcasting services

- Regularly briefs provided to the Minister and the department on developments in digital technology and the rollout of digital television across Australia.

**Strategy 2.4** Work with government, industry and audiences to build community awareness of digital broadcasting services

- Work continued with Commercial Television Australia to ensure that audiences are aware of the commencement of digital television services in their particular region and the possible implications of those start ups.

**Strategy 2.5** Promote efficient use of the spectrum by testing the extent and impact of the coverage of digital services

- Technical surveys of digital television services conducted in the Victorian regions of Tecoma/Belgrave, Geelong, Torquay, Ocean Grove, Bacchus Marsh, Blackwood, Ballan, Macedon, Lancefield and Kilmore, and in Canberra and the surrounding region: at Fraser, Weston Creek, Tuggeranong, Yass, Bungendore, Gunning, Gungahlin and Murrumbateman.

**Goal 3** Increase access to electronic media through timely allocation of other broadcasting services

**Strategy 3.1** Maintain efficient and effective systems for allocation of subscription television and section 40 licences

- Fifty subscription television broadcasting licences allocated within three months of the application.
- Two commercial radio broadcasting licences under section 40 of the Broadcasting Services Act allocated: one application was received during the reporting period and the licence allocated within three months of application; the other application was pending at the start of the reporting period and the licence was allocated within three months of the receipt of further information requested from the applicant.

## Goal 4 Maintain co-regulatory frameworks that provide adequate community safeguards

**Strategy 4.1** Systematic review of existing codes and standards to ensure continuing relevance of codes and provision of adequate community safeguards

- Following an extensive review, a new Australian Content Standard came into effect on 1 January 2003. The revised standard maintains the minimum requirements for Australian programs while including a number of measures designed to improve the operation of the sub-quotas that apply to adult and children's drama.
- The Community Broadcasting Association of Australia completed its review of the Community Broadcasting Codes of Practice. The codes were registered by the ABA and received general acceptance.
- On the ABA's recommendation, the Community Broadcasting Association of Australia will soon start developing a code of practice for the community television sector.
- The Australian Subscription Television and Radio Association has finalised the review of its codes of practice, after addressing a number of issues relating to community protections raised by the ABA. These codes will be registered by the ABA early in the next reporting period.
- Commercial radio and television codes of practice are being revised, taking into account community concerns raised in complaints and relevant research conducted by the ABA.
- The class licence, under which open narrowcasting radio services are provided, varied by imposing additional conditions on these services. The ABA expects that collecting and publishing the information required by the conditions will go some way

towards making more useful information about narrowcasting services available to the public and industry. Such information has not previously been easily available.

**Strategy 4.2** Educate community to enhance effectiveness of co-regulatory frameworks

- Cybersmart Kids web site regularly updated with new links. First issue of email newsletter produced with information on Internet safety issues and developments.
- New brochures in Cybersmart Kids series produced, covering chat safety and tips for avoiding spam. Chat brochure released by Childnet International Chief Executive Nigel Williams, with media focus on chat safety issues.
- Continued distribution of brochures (now totalling 54 000) to schools, community groups and other relevant agencies.
- Relationships with education departments developed.

**Strategy 4.3** Issue expert opinions on

- a) categories of broadcasting service
  - Five applications received: four dealt with inside the statutory timeframe; the other, received on 6 June 2003, remains under consideration.
- b) ownership and control matters
  - No requests received.
- c) pre-classification of children's television programs
  - 62 programs assessed in 2002–03, with classification granted to 53 programs.
  - No legal challenges of C and P decisions.



## Goal 5 Ensure compliance by electronic media with relevant regulations

**Strategy 5.1** Conduct investigations into complaints and possible breaches of regulations, on a priority basis that addresses matters of substantial public interest quickly.

- Of the investigations completed within the reporting period,
  - 95 per cent of priority investigations were completed within six months (compared to a target of 100 per cent) and
  - 79 per cent of non-priority investigations were completed within three months (compared to a target of 75 per cent).
- ABA-initiated investigations completed into 6GS Wagin, ACE TV Adelaide, community television and Renaissance TV; control of 2CH and 2GB and 4MIX Ipswich to ABA's satisfaction.

**Strategy 5.2** Liaison with international bodies to enhance effectiveness of investigations

- All ABA referrals of online material to international hotlines accepted.
- Participation in INHOPE working groups in relation to content issues enhances ability to undertake investigations.

**Strategy 5.3** Conduct a targeted compliance monitoring program to enhance compliance with rules concerning –

- a Australian content of free-to-air television
- b children's programming on free-to-air television
- c pay TV drama expenditure
- d ownership and control
- e anti-siphoning / anti-hoarding.

- Compliance with a range of statutory requirements monitored (the Australian content standard, the Australian content in advertising standard, the Children's Television Standards and the anti-siphoning and anti-hoarding regime). There were no serious compliance issues.
- Information gathered from the monitoring of compliance used to inform the review of the subscription television drama expenditure rules.

**Strategy 5.4** Expand licensee audit program to verify accuracy of gross earnings (on which licence fees are calculated)

- Preparation for the second round of commercial radio and commercial television licensee audits scheduled to commence during the 2003–04 reporting period.

## Goal 6 Provide expert policy advice about the effectiveness of electronic media regulation particularly through legislative reviews

**Strategy 6.1** Review impact of legislation as required to test effectiveness of, in particular

- 
- a) subscription television drama expenditure rules
  - Report to the Minister on the subscription television drama expenditure rules was comprehensive, based on extensive research and well received by the Minister and the department. As a result of late public submissions, the reporting timeframe was extended to 30 May 2003.
- b) online content scheme (Schedule 5 to the *Broadcasting Services Act 1992*)
  - Major submission to Department of Communications, Information Technology and the Arts review of the Online Content Scheme canvassed all relevant issues in relation to operation of scheme, and was made within timeframes agreed between ABA and Department.
- c) anti-siphoning/anti hoarding rules
  - No review carried out in 2002–03.

## Goal 7 Advise and inform government, industry and the community about major current and emerging issues affecting electronic media

**Strategy 7.1** Publish aggregated financial data concerning commercial television and radio broadcasting licensees

- *Broadcasting Financial Results* was published in April 2003 and 19 copies at \$550 each were sold to 30 June 2003.
- The broadcasting industry and media analysts have republished and used the 2001–02 financial results data.
- To the ABA's knowledge, there has been no criticism of the 2001–02 financial results data by stakeholders or the media.

**Strategy 7.2** Enhance ABA expertise by conducting contemporary research and investigations as a basis for informing future policy development to promote accessible, diverse and responsible electronic media

- As part of its consideration of tradeable obligations, engaged The Allen Consulting Group to undertake an economic study of: an analysis of the circumstances necessary for a market in tradeable obligations to operate successfully; an examination of the television industry in the light of this analysis; and discussion of the practical issues and effects of introducing a market for obligations in the television industry.
- Submitted to the Department of Foreign Affairs and Trade on a proposed approach to negotiating a free trade agreement with the United States arguing that audiovisual services and measures supporting cultural objectives should be excluded from the free trade agreement altogether.
- Published *Digital Television in Australia: 2002 Industry Survey*: a study of the views of industry players on the potential drivers

and inhibitors of the digital television industry conducted by the Interactive Television Research Institute, Murdoch University.

- Submitted to the discussion paper, *Options for Structural Reform in Spectrum Management* released by the Department of Communications, Information Technology and the Arts, supporting a merger with the Australian Communications Authority as the most appropriate response to the challenges posed in a converging communications environment, despite the complex policy and legislative issues it would raise; but not supporting the transfer of planning and licensing functions from the ABA to the ACA, because this would disconnect the ABA's management of broadcasting services bands from its other regulatory activities.
- Finalised terms of reference for a review of the Remote Commercial Radio Services.
- Varied the class licence under which open narrowcasting radio services are provided, by imposing additional conditions on these services.

**Strategy 7.3** Maintain international relationships with regulatory bodies and other organisations.

- Participated in a number of international Internet safety forums, including INHOPE, Asia-Pacific Roundtable, UNESCO symposium on Freedom of expression in the Information Society, and the South Korean Safe Cyberworld conference.
- Information obtained through international associations contributed to continuous review and updating ABA work practices in online area.

## Goal 8 Improve the internal capability of the ABA to deliver its outputs

**Strategy 8.1** Invest in a more strategic, skilled and satisfying workplace

- Consultants have been engaged to work with the ABA to develop and implement the Strategic HR Plan and the Statement of ABA specific behaviours.
- The ABA Agreement 2002 was certified on 8 October 2002 and remains in force until 30 June 2004.
- Performance agreements linked to the Business Plans are prepared annually by all staff and their managers. Performance is monitored and rated against the performance agreement at the six month mark, and at the expiration of the year.
- Learning and development needs are incorporated into the performance agreements. Centralised systems for more accurately recording and analysing staff participation in learning and development opportunities, and average expenditure are being put in place.
- No measurement of staff satisfaction has been made since the Staff Survey conducted in 2001, and the next survey will be conducted in 2004. Communication mechanisms include but are not limited to regular meetings (team, section, branch, all Sydney/all Canberra staff), the intranet (Homer), and the Consultative Forum.

**Strategy 8.2** Review and maintain efficient and effective core and other business processes

- During the reporting year, work was undertaken to achieve all targets within the ABA's planning and reporting framework. Key targets include annual strategic reviews, quarterly budget reviews and quarterly reporting on agency performance against the Corporate Plan.

- The ABA continued to implement enhancements to its resources allocation and budgeting processes. The ABA's internal distribution of resources for 2002–03 took place using these enhanced processes.
- The ABA's forecasted expenditure aligned with the actual expenditure for the year.
- Preliminary investigation of electronic document management strategies undertaken, including consultation with Federal Government agencies undertaking electronic document management. This is the first stage in the process of assuring that the ABA manages its electronic records with the same rigour as it currently maintains its paper records.

**Strategy 8.3** Maintain access to expert internal and external legal services

- Internal legal advice provided as required and external legal service providers instructed, as appropriate, to provide advice to the ABA or represent it in proceedings in courts and tribunals. Those so instructed include barristers, private solicitors and the Australian Government Solicitor, the Office of General Counsel in AGS, and the Office of Legislative Drafting in the Attorney-General's Department.

**Strategy 8.4** Optimise the use of information technology to facilitate business process improvement, to enhance information management and deliver all appropriate services electronically

- Strategic Information Technology Plan finalised.
- Technology Plan being developed with outsourced IT provider.

- Several customised modules in the ABA Information Management System completed.
- Human resources and travel applications added to intranet.
- Implementation of new Financial Management and Information System commenced.

**Strategy 8.5** Develop the external orientation of the ABA through the active management of stakeholder relationships, the communication of key messages and the meeting of external reporting requirements

- Regular meetings held with the associations representing the various sectors of the broadcasting and Internet industries and other relevant bodies.
- Third annual ABA conference successfully staged in Canberra in May 2003 and industry reception held in Adelaide in March 2003.
- Extensive print and online publishing program continued. Apart from a number of commercial publications, all reports, papers, licence area plans, digital channel plans and guides were published simultaneously in print form and on the ABA web site.
- One hundred and thirty-nine news releases issued and more than twelve hundred media inquiries dealt with.
- All statutory reporting requirements met.
- Performance measures and measurement methods developed and implemented for the ABA Service Charter.

## Output 1

### Planned and licensed electronic media

## Goal 1

# Increase access to analog radio and television broadcasting services in all areas of Australia

Strategy 1.1 Complete television licence area plans and determine LAP variations for long term use of spectrum

### Licence area plans and variations

Following the completion of its comprehensive radio planning tasks in December 2001, the ABA has begun replanning radio services in areas of Australia where it has received requests from interested parties to do so. The ABA has developed new licence area plans for television services in metropolitan areas, and intends to complete all analog television plans by the end of 2003.

### Final licence area plans – analog radio

#### **Community radio, Vic – December 2002**

The 3RPH Melbourne community radio service was originally in the Melbourne licence area plan (LAP). The ABA developed a separate licence area for this service, and it was released on 5 December 2002. The ABA determined channel capacity for the 3RPH service at Melbourne, Warragul and Warrnambool.

### Final licence area plans – analog television

#### **Adelaide, SA – November 2002**

The licence area plan for analog television in Adelaide was released on 21 November 2002. The ABA determined channel capacity for the two existing national television services, the three existing commercial television services and one new community television service.

#### **Brisbane, Qld – November 2002**

The licence area plan for analog television in Brisbane was released on 21 November 2002. The ABA determined channel capacity for the two existing national television services, the three existing commercial television services and one new community television service.

#### **Melbourne, Vic – November 2002**

The licence area plan for analog television in Melbourne was released on 21 November 2002. The ABA determined channel capacity for the two national television services, the three existing commercial television services and one new community television service.

#### **Sydney, NSW – November 2002**

The licence area plan for analog television in Sydney was released on 21 November 2002. The ABA determined channel capacity for two existing national television services, the three existing commercial television services and one new community television service.

**Tasmania – July 2002**

The licence area plan for analog television in Tasmania was released on 25 July 2002. The ABA determined channel capacity for the two existing national television services and two existing commercial television services. Licence areas were also designated for three commercial television services. The third service is to be provided in digital mode, under the provisions of section 38B of the Broadcasting Services Act.

**Draft licence area plans – analog television****Northern NSW – May 2003**

A draft of the television licence area plan for Northern NSW was released on 17 May 2003. The ABA proposes to determine channel capacity for the two existing national television services, the three existing commercial television services and one new community television service for Lismore.

**Regional Queensland – May 2003**

A draft of the television licence area plan for Regional Queensland was released on 17 May 2003. The ABA proposes to determine channel capacity for the two national television services and three existing commercial television services.

**Final variations to licence area plans – analog radio****Remote North East Zone – August 2002**

The ABA varied the licence area plan to make additional channel capacity available at Mt Tamborine, Eagle Heights and Canungra, Queensland.

**Adelaide, SA – September 2002 and March 2003**

The ABA varied the licence area plan for Adelaide to give commercial radio service 5SSA extensions of time to change the operating frequency of its Adelaide Foothills transmitter.

**Emerald, Qld – September 2002**

The ABA varied the licence area plan for Emerald radio to make available two new community services and four new open narrowcasting services.

**Parkes, NSW – October 2002**

The ABA varied the licence area plan for the Parkes/Forbes open narrowcasting radio service, operating on 91.5 MHz from Mt Coonambro, to give the station an extension of time to change its operating frequency to 99.9 MHz.

**Mildura, Vic – October 2002**

The ABA varied the licence area plan in Mildura to make channel capacity available for one additional open narrowcasting radio service.

**Mt Gambier, SA – November 2002**

The ABA varied the licence area plan to extend the timeframe for community radio service 5GTR to change frequency.

**Melbourne, Vic – December 2002**

The ABA varied the licence area plan for Melbourne to remove channel capacity for community radio service 3RPH on 1179 KHz.

**Gold Coast, Qld – March 2003**

The ABA varied the licence area plan for Gold Coast radio to allow a new commercial service and three community services, 4RHI, 4CAB and 4MET to operate on alternative technical specifications.

**Hobart, Tas – March 2003**

The ABA varied the licence area plan for Hobart radio to extend the time frame for community radio station 7HFC to move to an alternative frequency.

**Emerald, Qld – April 2003**

The ABA varied the licence area plan for Emerald radio to correct the licence area boundary.

**Karratha, WA – May 2003**

The ABA varied the licence area plan to remove Tom Price and Paraburdoo from the Karratha licence area.

**Port Hedland, WA – May 2003**

The ABA varied the licence area plan for Port Hedland to add Broome to the licence area.

**Remote Western Australia – May 2003**

The ABA varied the licence area plan for Remote Western Australia to remove Broome from the licence area and to add Christmas Island and the Cocos Islands.

**Final variations to licence area plans – television**

In the 2002–03 period there were no variations made to licence area plans for television.

**Draft variations to licence area plans – analog radio**

**Emerald, Qld – July 2002**

The ABA proposed to vary the licence area plan for Emerald to make new community radio services available at Moranbah and Blackwater and four new open narrowcasting services available at Blair Athol.

**Mildura, Vic – August 2002**

The ABA proposed to vary the licence area plan in Mildura to make channel capacity available for one additional open narrowcasting radio service.

**Parkes, NSW – September 2002**

The ABA proposed to vary the licence area plan for the Parkes/Forbes open narrowcasting radio service, operating on 91.5 MHz from Mt Coonambro, to give the station an extension of time to change its operating frequency to 99.9 MHz.

**Mt Gambier, SA – October 2002**

The ABA proposed to vary the licence area plan to grant the community radio service 5GTR an

extension of time within which to change its operating frequency.

**Gold Coast, Qld – December 2002**

The ABA proposed to vary the licence area plan for Gold Coast radio to allow a new commercial service and three community radio services, 4RHI, 4CAB and 4MET to operate on alternative technical specifications.

**Hobart, Tas – February 2003**

The ABA varied the licence area plan for Hobart radio to extend the time frame for community radio station 7HFC to move to an alternative frequency.

**Adelaide, SA – July 2002 and February 2003**

The ABA proposed to vary the licence area plan to extend the time frame for commercial radio station 5SSA to change the operating frequency of its Adelaide Foothills transmitter.

**Karratha, WA – February 2003**

The ABA proposed to vary the licence area plan to remove Tom Price and Paraburdoo from the Karratha licence area.

**Port Hedland, WA – February 2003**

The ABA proposed to vary the licence area plan to add Broome to the licence area.

**Remote Western Australia – February 2003**

The ABA proposed to vary the licence area plan for Remote Western Australia to remove Broome from the licence area and to add Christmas Island and the Cocos Islands.

**Innisfail, Qld – March 2003**

The ABA proposed to vary the licence area plan for Innisfail to make two channels available for commercial radio service 4KZ (693 kHz at Tully and 94.7 MHz at Cardwell) and to make 92.7 kHz available for an open narrowcasting service at Tully.



### Spencer Gulf, SA – May 2003

The ABA proposed to vary the licence area plan to provide an extension of time for commercial radio service 5CS to change frequency.

### Draft variations to licence area plans – television

In the 2002–03 period there were no proposals to vary licence area plans for television.

Strategy 1.2 Provide customised solutions to blackspots, interference and other problems that reduce or adversely affect coverage of analog broadcasting services

### Television black spots program

In 2002–03 the ABA continued to allocate spectrum for analog television services. The ABA assists the Department of Communications, Information Technology and the Arts in administering the Television Fund, which funds programs to improve television



As part of its role in the Television Black Spots Program, the ABA conducts analog and digital field strength measurements. The ABA field survey vehicle's pneumatic mast elevates the receiver antenna to 10m (an International Telecommunication Union standard height for field strength measurements). At this height the antenna avoids signal reflections from the ground, and so gives more accurate measurements.

reception. One such program is the Television Black Spots Program (TVBSP). The aim of this program is to help alleviate problems with television reception experienced by communities around Australia.

A 'black spot', for the purposes of this program, is an area where the reception of one or more commercial or national television services that should be available locally is either poor or non-existent. The program is in two parts: the aim of the first is to provide new services; the aim of the second is to replace obsolete equipment at existing self-help retransmission sites.

The program is also divided into two rounds. Round one is for areas where the number of affected households in a black spot area exceeds 100. Round two is for areas where the number of affected households exceeds 50.

In the Budget for 2002–03, the Government announced a further \$13.3 million for the Television Black Spots – Alternative Technical Solutions Program (ATS). This program is intended to further improve television reception in regional areas, by developing alternative solutions for those eligible applicants who could not be assisted under the TVBSP.

In round one, there were 178 expressions of interest from coordinating bodies to resolve black spots in their area. Most were for the retransmission of more than one service. Twenty-eight expressions of interest were considered ineligible for funding or were withdrawn. An adequate solution could not be found for three expressions of interest, and 18 expressions of interest were identified as eligible candidates for ATS. Planning has been completed for the remaining 126 black spot areas, although three areas were being reassessed following requests from the coordinating bodies to consider changes to site or input signals. Throughout 2002–03, the ABA issued 98 apparatus licences to coordinating bodies, making a total of 374 in round one of the program. Of the 126 areas where planning has been completed, the coordinating bodies of 57 of

them have advised that they have commissioned their services.

In round two, there were 236 expressions of interest from coordinating bodies to resolve black spots in their area. Sixty expressions of interest were either considered ineligible for funding or were withdrawn. An adequate solution could not be found for 15 expressions of interest, and 11 expressions of interest were identified as eligible candidates for ATS. Planning has been completed for the remaining 150 black spot areas, although 11 areas were being reassessed following requests from the coordinating bodies to consider changes to site or input signals. Again, most requests have been for the retransmission of more than one service. In 2002–03 the ABA issued 111 apparatus licences to coordinating bodies, which now makes a total of 319 under round two. Of the 150 areas where planning has been completed, 44 coordinating bodies have advised that they have commissioned their services.

## Commercial radio black spots program

The Federal Government's Commercial Radio Black Spots Program has been developed to deliver new or improved commercial radio services to regional and remote communities where it has not been viable for commercial licensees to provide coverage. The program is administered by the Department of Communications, Information Technology and the Arts. The ABA's role in the program is to undertake the frequency planning for new radio services that will cover the black spot areas.

A 'black spot', for the purposes of the program, is an area where the reception of the local commercial radio service(s) is either poor or non-existent. In its submission to the Federal Government, Commercial Radio Australia identified 142 potential black spot areas to be considered for the Commercial Radio Black Spots Program.

The program is in two stages. Stage one is for areas where technical specifications for a service

have previously been made available by the ABA in its licence area planning process. Stage two includes some areas containing existing technical specifications but is mostly for areas that require the planning of new technical specifications for commercial services.

In 2002–03, the ABA verified technical specifications for transmitters to provide services to 58 black spot areas in stage one. The ABA will issue transmitter licences to the commercial licensees involved upon receipt of applications.

For stage two, the ABA is developing a project plan to identify a pragmatic approach to planning in accordance with the priorities identified by the Government. In the initial part of stage two, in 2003–04, the ABA will be conducting planning for 40 black spot areas where variations to radio licence area plans are expected. The remaining black spot areas will be assessed in due course.

### **Day/night switching for AM radio services**

During the reporting period, the ABA received four applications for day/night transmitter power switching to address reception

deficiencies in the respective broadcasting services. The applicants are Sydney commercial radio services 2CH and 2GB and Melbourne commercial radio service 3AK.

ABA engineering staff have assessed the applications of the three commercial radio services and have given approval in principle for an increase in power. This means practical tests will now need to be conducted.

The 4BC commercial radio service in Brisbane has successfully completed its test period and will continue to operate the service at the higher power level.

### **Consequential analog changes**

As part of the planning for digital television, some changes to existing analog services have to be made before the new digital services can start. These changes are designed to allow digital television to be introduced in the regions with minimal disruption to services. Regions where consequential changes have proved necessary and have been implemented are Taroona (Tasmania), Nhill (Victoria) and Moranbah (Queensland). Details of these changes are given in appendix 7.

## Strategy 1.3 Allocate planned licences in a timely, fair and transparent manner

### Licence allocation

Under the Broadcasting Services Act the ABA allocates a number of different licences which authorise the provision of broadcasting services. The ABA also issues licences under the Radiocommunications Act: in this capacity the ABA acts as a delegate of the Australian Communications Authority and authorises the operation of radiocommunications transmitters for certain broadcasting services.

The ABA allocates the following licences for services listed in licence area plans:

- commercial television and radio broadcasting licences for services that use the broadcasting services bands either in accordance with a price-based system determined under section 36 or under sections 38A, 38B or 39 of the Broadcasting Services Act
- community television and radio broadcasting licences for services that use the broadcasting services bands under section 84 of the Broadcasting Services Act
- transmitter licences for open narrowcasting radio services that use high-powered frequencies within the broadcasting services bands (under the Radiocommunications Act)
- transmitter licences for national broadcasting services (under the Radiocommunications Act).

The ABA allocates the following licences for other broadcasting services that use the broadcasting services bands:

- temporary community broadcasting licences (under section 92B of the Broadcasting Services Act)
- transmitter licences for community television trials, special events, test transmissions and retransmissions of

broadcasting services (under the Radiocommunications Act).

Other licences allocated by the ABA for broadcasting services include:

- international broadcasting licences (under section 121FE of the Broadcasting Services Act)
- commercial television and radio broadcasting licences for services that do not use the broadcasting services bands (under section 40 of the Broadcasting Services Act)
- subscription television broadcasting licences (under section 96 of the Broadcasting Services Act).

The allocation of section 40 licences and subscription television broadcasting licences is dealt with under strategy 3.1.

Open narrowcasting radio and television services, subscription radio broadcasting services and subscription narrowcasting radio and television services do not require individual licences under the Broadcasting Services Act. They are covered by class licences determined by the ABA under section 117 of the Broadcasting Services Act.

### Commercial television broadcasting licences

The Broadcasting Services Act provides that no new commercial television broadcasting licences are to be allocated before 31 December 2006 except in particular markets as outlined below.

Under section 38A of the Broadcasting Services Act, the ABA may allocate additional commercial television licences to licensees in markets where there is only one commercial television licence in force. The applicant for the additional licence must be the same company as the licensee of the existing service. The ABA has determined an allocation fee of \$12 000 for this kind of licence.

No additional commercial television broadcasting licences were allocated under section 38A of the Broadcasting Services Act in the current reporting year.

Four licences under section 38A were allocated in the previous reporting period. On 23 April 2002 the ABA allocated licences under section 38A to:

- Broken Hill Television Ltd, licensee of BKN Broken Hill, for Broken Hill
- Spencer Gulf Broadcasters Ltd, licensee of GTS Spencer Gulf, for Spencer Gulf
- WIN Television Pty Ltd, licensee of SES Mt Gambier and RTS Riverland, for Mt Gambier and Riverland.

The ABA may also allocate additional commercial television broadcasting licences under section 38B of the Broadcasting Services Act in markets where there are only two commercial television broadcasting licences in force. The additional commercial television service may be offered in digital mode only. The existing licensees may either apply for a licence as a joint-venture company or apply separately. If the ABA receives applications from both the existing licensees, it must allocate the additional licence under a price-based allocation system, which the ABA also determines. If the ABA receives only one application, either from a joint-venture company or one of the existing licensees, it must allocate the additional licence to that company or licensee. The ABA has determined an allocation fee of \$12 000, which applies to single applicants and joint-venture applicants.

On 21 November 2002 the ABA allocated a commercial television broadcasting licence under section 38B to TasTV Pty Ltd. This company is jointly owned by Southern Cross Television (TNT9) Pty Ltd and WIN Television TAS Pty Ltd, the existing licensees in the Tasmanian licence area. This is the first commercial television licence the ABA has allocated under section 38B. (See table 2.)

During the reporting period the ABA renewed 19 commercial television broadcasting licences.

### **Commercial radio broadcasting licences**

In general, the ABA must allocate new commercial radio broadcasting licences for

services that use the broadcasting services bands in accordance with a price-based system determined by the ABA under section 36 of the Broadcasting Services Act. The current system is set out in the *Commercial Broadcasting Licences Allocation Determination No. 1 of 1998*. Applicants for a licence must pay an application fee, which varies depending on the licence area.

In the current reporting year, the ABA allocated two commercial radio broadcasting licences in accordance with the price-based allocation system. It auctioned the licences on 26 August 2002: one for a service in the Gold Coast, the other for a service in Nambour. It then allocated these licences on 24 October 2002 and 21 November 2002 respectively. (See table 3.)

During the reporting period, the ABA was approached by a number of parties about whether it should proceed with allocating licences in 2003–04 for commercial radio broadcasting services planned for Adelaide, Sydney, Brisbane and Melbourne. On 11 April 2003 the ABA invited submissions from interested parties on whether to consider varying the licence area plans for these cities so as to defer the availability of spectrum for the allocation of further commercial radio licences. After considering the submissions and other information relevant to market conditions, the ABA announced on 23 June 2003 that it would proceed with the allocation of licences. The ABA was not persuaded that there had been such a significant change in market conditions in any of the cities that it should consider deferring the licences. Allocation of the licences is scheduled to commence in the next reporting period.

Under section 39 of the Broadcasting Services Act, the ABA may allocate additional commercial radio broadcasting licences to licensees in markets where there is only one commercial radio licence in force. The applicant for the additional licence must be the same company as the licensee of the existing service. The ABA has determined an allocation fee of \$12 000.

No additional commercial radio broadcasting licences were allocated under section 39 of the Broadcasting Services Act during the reporting period.

Seven licences under section 39 were allocated in the previous reporting period. On 20 February 2002 the ABA allocated licences under section 39 to:

- Rebel FM Stereo Pty Ltd, licensee of 4SUN, for Remote North East Queensland
- Burnie Broadcasting Service Pty Ltd, licensee of 7BU, for Burnie
- North East Tasmanian Radio Broadcasters Pty Ltd, licensee of 7SD, for Scottsdale.

On 8 March 2002 the ABA allocated licences under section 39 to:

- Votrait No. 691 Pty Ltd, licensee of 3GG, for Warragul
- Ace Radio Broadcasters Pty Ltd, licensee of 3TR and 3HA, for Sale and Hamilton
- Regional Communications Pty Ltd, licensee of 3YB, for Warrnambool.

During the reporting period the ABA renewed 52 commercial radio licences for services that use the broadcasting services bands.

### **Community television broadcasting services**

In 1992 the Government asked the ABA to conduct a trial of community television using the vacant sixth television channel (UHF channel 31 in capital cities). Community television has operated on a trial basis in different parts of Australia since 1994. (Information about the continuing operation of the trial is set out below in the section 'Community television trial'.)

Following a statutory review of community television, the Broadcasting Services Act was amended in December 2002 to establish a new licensing framework for it. On 17 February 2003 the ABA advertised for applications for a long-term community television broadcasting licence in each of the cities of Brisbane, Melbourne, Perth and Sydney. Sixteen applications were

received: three for the Brisbane licence, two for Melbourne, five for Perth, and six for Sydney. The applications are now being assessed. The decision whether licences are to be allocated will be made on the basis of merit.

On 10 June 2003 the ABA appointed Convergent Consulting Pty Ltd to assist in its consideration of the financial implications of setting up and operating community television services in Brisbane, Melbourne, Perth and Sydney.

### **Long-term community radio broadcasting licences**

As with community television broadcasting licences, the allocation of community radio broadcasting licences under Part 6 of the Broadcasting Services Act for services using the broadcasting services bands, is made on the basis of merit. The ABA is not obliged to allocate a community broadcasting licence to an applicant even though it has advertised for and received applications.

During the reporting period, the ABA allocated 28 community radio broadcasting licences for services that use the broadcasting services bands. (See table 4.) On 19 December 2002 it allocated a licence for the Gosford area, but the Federal Court set aside this decision on 31 January 2003. In seven areas the ABA decided not to allocate a licence: Cootamundra (NSW), George Town (Tasmania), Gosford (NSW), Latrobe Valley (Victoria), Lithgow (NSW), Sydney (NSW), and Wollongong (NSW).

Since 1992 the ABA has allocated 134 community radio broadcasting licences under Part 6 of the Broadcasting Services Act for services using the broadcasting services bands.

Five community radio broadcasting licences are in the process of being allocated. Forty-seven other licences are available but not yet allocated as there is no established or suitable candidate.

During the reporting period, the ABA renewed 227 long-term community broadcasting licences. At the end of the reporting period, there were 334 long-term community radio broadcasting licences on issue.

### **Licences for open narrowcasting radio services issued under the Radiocommunications Act**

Under delegation from the Australian Communications Authority, the ABA issues transmitter licences for open narrowcasting radio services that use high-powered frequencies within the broadcasting services bands. The licences must be allocated in accordance with the price-based system set out in the *Radiocommunications (Issue of Broadcasting (Narrowcasting) Transmitter Licences) Determination No. 1 of 1996*.

On 1 April 2002 the ABA invited applications for 92 transmitter licences for open narrowcasting radio services throughout Australia. One service was subsequently withdrawn. On 31 July 2002 the ABA invited applications for another five transmitter licences.

The ABA received single applications for 17 licences and multiple applications for 22 licences; and on 27 September 2002 it auctioned the 22 licences with multiple applications. It approved the issue of 38 transmitter licences on 24 October 2002 and the remaining licence on 7 November 2002 (see table 5).

On 21 November 2002 Mars Media Pty Ltd surrendered its transmitter licence to provide an open narrowcasting service in Darwin East.

On 19 December 2002 the ABA cancelled a transmitter licence in order to provide an open narrowcasting service, licensed to Tatley Pty Ltd, in Albury.

### **National broadcasting services**

During the reporting period, the ABA issued five transmitter licences for national radio and television broadcasting services.

### **Temporary community broadcasting licences**

The temporary community broadcasting licence (TCBL) scheme has been in place since August 1997. The scheme provides for the ABA to allocate non-renewable community radio

licences to eligible aspirant broadcasters for periods of up to 12 months. The licences are allocated only if channels in the broadcasting services bands are available for transmission.

The scheme gives the ABA considerable flexibility in promoting the efficient and effective use of the spectrum. It also allows aspirant broadcasters the opportunity to establish and develop a service in the community interest before the merit-based allocation of long-term licences occurs.

In the reporting period, the ABA allocated 59 TCBLs to 43 aspirant broadcasters: appendix 5 contains the full list. It should be noted that, due to the nature of the TCBL scheme, licence periods vary and some aspirants held more than one licence in the 2002–03 year.

During the reporting period, the ABA did not require any aspirant broadcasters to terminate a broadcast.

### **Community television trial**

As noted above, community television has operated on a trial basis in various parts of Australia since 1994. The ABA has made the vacant sixth television channel (UHF channel 31 in capital cities) available for fixed periods for open narrowcasting television services that must serve community and educational non-profit purposes. Transmitter licences for community television groups in Brisbane, Melbourne, Lismore, Perth and Sydney have been renewed until 31 December 2003.

Adelaide Community and Educational Television Inc. (ACE TV) was previously licensed to provide a service in Adelaide under the community television trial. In December 2002 the ABA decided to cancel its transmitter licence. This decision followed an investigation into whether ACE TV had complied with the condition on its licence to provide an open narrowcasting television service for community and educational non-profit purposes.

On 15 April 2003 the ABA invited expressions of interest to operate a community television trial in Adelaide for a period of 12 months. The ABA

received five expressions of interest and was in the process of assessing them at the end of the reporting period.

### Radio and television retransmissions

During the reporting period, the ABA issued 94 broadcasting retransmission licences.

### Out-of-area reception

During the reporting period, the ABA issued two out-of-area radio broadcasting retransmission licence and 1000 direct-to-home out-of-area television licences.

### Test transmissions

During the reporting period, the ABA issued 40 radio test transmission licences.

### International broadcasting licences

In April 2001, under new provisions in the Broadcasting Services Act, the ABA allocated the first ten international broadcasting licences. Since that time, no further formal applications for international broadcasting licences have been received.

### Special events

During the reporting period, the ABA issued 89 special event broadcasting licences for radio and 20 for television.

Table 1 Total number of licences on issue\*

	30 June 2002	30 June 2003
Commercial television licences for services using the broadcasting services bands	52	53
Commercial radio licences for services using the broadcasting services bands	255 <sup>†</sup>	257
Community radio licences for services using the broadcasting services bands <sup>‡</sup>	312	334
Remote Aboriginal community television licences	80	76
Open narrowcasting services planned in licence area plans	170 <sup>§</sup>	207
International broadcasting licences	10	10

#### Notes

- \* The number of licences on issue does not necessarily reflect the number of services operating, because in some cases a licence has been issued but the service has not yet commenced.
- † This figure is different from the figure stated in the *Annual Report 2001–2002*. Last year's figure of 268 was incorrect.
- ‡ These figures include all ex-BRACS (broadcasting in remote Aboriginal communities) radio licences.
- § This figure is different from the figure stated in the *Annual Report 2001–2002*. It now reflects the actual number of licences on issue as at 30 June 2002. Last year's figure of 182 reflected only those licences allocated by the ABA under the Radiocommunications Act after being planned in licence area plans; it did not reflect licences that had been surrendered by the licensee or cancelled by the ABA.

Table 2 Section 38B commercial television licences allocated

Location	Licensee	Allocated
Tasmania	TasTV Pty Ltd	21 November 2002



Table 3 Section 36 commercial radio licences allocated

Location	Frequency	Licensee	Price paid	Allocated
Gold Coast, Qld	102.9 MHz	Hot Tomato Pty Ltd	\$26 million	24 October 2002
Nambour, Qld	91.1 MHz	Sunshine Coast Radio Pty Ltd	\$8.2 million	21 November 2002

Table 4 Community radio licences allocated

State / general area served	Release date	Decision date	Frequency	Licensee
<b>New South Wales</b>				
Ballina	21 Dec 2000	17 July 2002	101.9 MHz	Paradise FM Community Radio Association Inc.
Gosford	31 Aug 2000	24 Oct 2002	94.1 MHz	Central Coast Broadcasters Ltd
Gosford	31 Aug 2000	24 Oct 2002	93.3 MHz	Five-O-Plus Public Radio Association Inc.
Monaro	30 Jul 1999	24 Oct 2002	90.5 MHz	Monaro Community Radio Inc.
Wagga Wagga	6 Dec 2001	15 Nov 2002	101.9 MHz	Riverina Christian Radio Inc.
Yass	18 Jun 1999	4 Sept 2002	100.3 MHz	Yass Community Radio Association Inc.
<b>Queensland</b>				
Boonah	21 Dec 2000	22 Nov 2002	100.1MHz	Scenic Rim Broadcasting Association Inc.
Nambour	21 Dec 2000	7 Nov 2002	106.5MHz	Sunshine Coast Christian Broadcasters Association Inc.
Nambour	21 Dec 2000	7 Nov 2002	104.9 MHz	SDA Radio Association Inc.
<b>South Australia</b>				
Adelaide	6 Sep 2001	22 Aug 2002	92.7 MHz	Fresh Broadcasters Inc.
Adelaide	6 Sep 2001	22 Aug 2002	99.9 MHz	Music Broadcasting Society of South Australia Inc.
Foothills				
Mt Gambier	6 Dec 2001	14 Oct 2002	104.9 MHz, 99.3 MHz	South East Christian Broadcasters Inc.
Port Adelaide	6 Sep 2001	23 Aug 2002	100.5 MHz	Way Out West Broadcasters Inc.
Port Pirie	6 Dec 2001	17 Sep 2002	105.1 MHz	Pirie Community Radio Broadcasters Inc.
Victor Harbor	6 Dec 2001	5 Dec 2002	89.3 MHz, 88.3 MHz, 94.7 MHz	Encounter FM Community Broadcasters Association Inc.
Victor Harbor	6 Dec 2001	5 Dec 2002	90.1 MHz	Great Southern FM Community Broadcaster's Association Inc.
Yorke Peninsula	6 Dec 2001	16 Oct 2002	89.3 MHz	Peninsula Community Broadcasters Inc.
<b>Tasmania</b>				
Northern Midlands	13 Dec 2001	5 Nov 2002	95.7 MHz	Northern Midlands Community Broadcasters Inc.
South Hobart	13 Dec 2001	19 Dec 2002	99.3 MHz	Tasmanian University Broadcasters Inc.
Scottsdale	13 Dec 2001	15 Jan 2003	93.7 MHz, 100.3 MHz	BOD FM
Tasman Peninsula	13 Dec 2001	29 Nov 2002	97.7 MHz	Tasman Community Broadcasters Association Inc.
<b>Western Australia</b>				
Armadale	11 Oct 2001	23 Aug 2002	107.3 MHz	Heritage FM Inc.
Christmas Island	27 Aug 1996	13 Dec 2002	105.3 MHz,	Radio VLU-FM Announcers Association

Table 4 Community radio licences allocated (ctd)

State / General area served	Release date	Decision date	Frequency	Licensee
Fremantle	11 Oct 2001	5 Dec 2002	102.1 MHz 91.3 MHz	Inc. Portuguese Cultural and Recreational Centre of Western Australia Inc.
Kalamunda	11 Oct 2001	6 Sep 2002	102.5 MHz	Kalamunda Community Radio Inc.
Perth	11 Oct 2001	24 Oct 2002	101.7 MHz	Youth Media Society of Western Australia Inc.
Port Hedland	26 Jun 1996	31 Jan 2003	101.3 MHz	Port Hedland Indigenous Media Aboriginal Corporation
Wanneroo	11 Oct 2001	23 Aug 2002	89.7 MHz	Wanneroo Joondalup Regional Broadcasting Association Inc.

Table 5 Transmitter licences allocated for open narrowcasting radio services

State / location	Frequency	Successful applicant	Price paid	Allocated
<b>New South Wales</b>				
Murwillumbah	1593 kHz	Town and Coastal Broadcasters Australia Pty Ltd	\$4,000	24 Oct 2002
Penrith	1476 kHz	Kizhage Pty Ltd	\$54,000	24 Oct 2002
<b>Northern Territory</b>				
Alice Springs	107.1 MHz	Wiseguy Pty Ltd	\$18,000	24 Oct 2002
Katherine	96.5 MHz	Antenna Radio Pty Ltd	\$4,000	24 Oct 2002
<b>Victoria</b>				
Ararat	92.9 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Bairnsdale	97.5 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Benalla	99.3 MHz	Town and Coastal Broadcasters Australia Pty Ltd	\$7,000	24 Oct 2002
Euroa	99.3 MHz	Town and Coastal Broadcasters Australia Pty Ltd	\$4,000	24 Oct 2002
Geelong	89.3 MHz	Southern Narrowcasters Pty Ltd	\$86,000	24 Oct 2002
Hamilton	102.1 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Horsham	102.9 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Latrobe Valley	91.9 MHz	Town and Coastal Broadcasters Australia Pty Ltd	\$50,000	24 Oct 2002
Leongatha	91.3 MHz	Town and Coastal Broadcasters Australia Pty Ltd	\$7,000	24 Oct 2002
Portland	105.3 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002

Table 5 Transmitter licences allocated for open narrowcasting radio services (ctd)

State / Location	Frequency	Successful applicant	Price paid	Allocated
Sale	90.3 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Stawell	93.7 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Warrnambool	100.9 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
<b>Queensland</b>				
Brisbane	1053 kHz	Gumnut Nominees Pty Ltd	\$104,000	24 Oct 2002
Charters Towers	96.7 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Emerald	92.3 MHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Mitchell	102.1 MHz	Radio 4GG Gold Coast Pty Ltd	\$4,000	24 Oct 2002
Prosperine	96.3 MHz	Town and Coastal Broadcasters Australia Pty Ltd	\$4,000	24 Oct 2002
Roma	95.9 MHz	Radio 4GG Gold Coast Pty Ltd	\$4,000	24 Oct 2002
Sarina	93.5 MHz	Town and Coastal Broadcasters Australia Pty Ltd	\$4,000	24 Oct 2002
St George	102.1 MHz	United Christian Broadcasters Australia Pty Ltd	\$4,000	24 Oct 2002
<b>South Australia</b>				
Adelaide	531 kHz	Maria Donato	\$400,000	24 Oct 2002
Barossa Valley	90.5 MHz	Ambersky Pty Ltd	\$18,000	24 Oct 2002
<b>Western Australia</b>				
Bunbury	1017 kHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Dampier	93.7 MHz	Norsat Communications Pty Ltd	\$4,000	7 Nov 2002
Derby	101.1 MHz	Mr Phill Rogers	\$4,000	24 Oct 2002
Geraldton	1008 kHz	Geraldton Newspapers Limited	\$4,000	24 Oct 2002
Halls Creek	101.3 MHz	Mr Phill Rogers	\$4,000	24 Oct 2002
Kalgoorlie	1431 kHz	United Christian Broadcasters Australia Ltd	\$4,000	24 Oct 2002
Perth	657 kHz	Gunmut Nominees Pty Ltd	\$210,000	24 Oct 2002
Perth City	103.3 MHz	SEQ Broadcasters Pty Ltd	\$30,000	24 Oct 2002
Perth City	104.9 MHz	Gunmut Nominees Pty Ltd	\$42,000	24 Oct 2002
Warmun	99.1 MHz	Mr Phill Rogers	\$4,000	24 Oct 2002
<b>Tasmania</b>				
Burnie	97.7 MHz	Tasradio Pty Ltd	\$11,000	24 Oct 2002
Devonport	101.3 MHz	Town and Coastal Broadcasters Australia Pty Ltd	\$44,000	24 Oct 2002

## Strategy 1.4 Verify and document the current approach and processes used to respond to interference complaints or reports

During the reporting period a large number of new digital television services commenced; as a result, digital television has been the primary focus of interference management. The ABA's interference management scheme for digital television is discussed below.

When it develops digital channel plans, the ABA identifies potential interference risks and, where appropriate, proposes changes to the analog services affected. Analog services that experienced significant changes during the reporting period are listed in appendix 7.

The primary responsibility for resolving interference rests with the broadcaster who operates a newly introduced service. The ABA believes that the definition of unacceptable interference needs to be consistent with the current planning model, for it would be unreasonable to expect broadcasters to correct interference problems when signal levels are not afforded protection by the planning model. Similarly, the definition of interference should not permit greater levels of interference than are permitted by the planning model. The planning model does not protect reception of weak or inadequate signals, and it is based on viewers having suitable outdoor antennas directed at a transmission site to receive one set of services.

Viewers or broadcasters experiencing interference from digital services should in the first instance contact the relevant digital service provider so that remedial action can be initiated. Complaints relating to ongoing interference should be directed to Commercial Television Australia or the Australian Communications Authority.

## Interference management scheme

The Digital Television Interference Management Scheme outlines digital licensees' responsibilities regarding interference to analog television transmissions caused by digital transmissions. It is designed to protect a viewer's analog television service and to ensure that, if interference does occur, the problem is resolved as quickly as possible. After extensive consultations with groups representing industry and consumers, the ABA determined the scheme on 21 December 2000.

As part of the scheme, an interference hotline was established, which gives viewers advice on and assistance with channel and co-channel interference, particularly with interference to video cassette recorders and with poor reception of analog services.

The success of this program has been demonstrated by its continued use in areas such as Wollongong, the NSW Central Coast and Kings Cross. The ABA will review the scheme as required, in consultation with broadcasters and industry bodies.

### Strategy 1.5 Review spectrum management methodologies and guidelines to test efficiency of spectrum use

The ABA has recognised that there is a demand for new services above the capacity it has been able to identify in many markets in Australia, particularly the capital city markets.

To this end, it has established a program for reviewing current spectrum management processes. The program includes several strategies such as:

- conducting planning case studies in metropolitan markets and their adjacent regional markets
- surveying the performance of AM and FM radio receivers with a view to reviewing planning parameters if necessary
- possible replanning of low power open narrowcasting services.

Each of these strategies will be undertaken in close consultation with licensees and the public.

### Strategy 1.6 Advise the Minister and department on potential improvements to access for analog broadcasting services

The ABA meets regularly with representatives of the Department of Communications, Information Technology and the Arts to discuss developments in broadcasting planning, including progress on programs administered jointly such as the Television Black Spots Program and the Commercial Radio Black Spots Program.

The ABA also provides regular briefings to the Minister on the planning and licensing of analog radio and analog and digital television services throughout Australia, and this including information on the progress of the Black Spots programs.

## Goal 2

# Facilitate roll-out of digital television broadcasting services by national and commercial television broadcasters

Strategy 2.1 Complete digital channel plans that identify channels available for conversion, and maximise the opportunity for other services to use the unallocated spectrum during the analog/digital simulcast period

In the reporting period, digital television services commenced in many markets across Australia. Details of those markets and the service commenced can be found at appendix 7.

The ABA is required to prepare digital channel plans (DCPs), which allocate channels for digital television conversion. These DCPs enable broadcasters to plan digital transmission coverage to match existing analog coverage.

### Draft digital channel plans

#### **Remote and Regional Western Australia – November 2002**

The draft digital channel plan proposed channels for the areas of Albany, Broome, Bunbury, Carnarvon, Central Agricultural, Esperance, Geraldton, Kalgoorlie, Manjimup, Narrogin, Northam, Port Hedland, Southern Agricultural and Wagin.

### Draft variation to digital channel plans

#### **Brisbane, Gold Coast, Sunshine Coast – May 2003**

The draft variation proposed changes to the technical specifications for all commercial and national digital television services operating at Mt Tamborine to serve the Gold Coast region.

#### **Inland NSW Part 5 – May 2003**

The draft digital channel plan proposed channels for the areas of Bathurst, Bowral/Mittagong, Goulburn, Lithgow, Lithgow East and Portland/Wallerawang.

#### **Regional Queensland – May and June 2003**

The draft variation proposes channels for the areas of Blackwater, Boyne Island, Capella, Emerald, Gladstone East, Gladstone West and Townsville North. A revised draft variation proposed alternative channels for Boyne Island, Gladstone East and Gladstone West.

#### **Tasmania – May 2003**

The draft variation proposes channels for the areas of Hobart North East suburbs, Launceston and Taroona.

#### **NSW Part 1 (Wollongong) – May 2003**

The draft variation proposes a variation to the allotment of channels at Brokers Nose.

## Final digital channel plan variations

### Inland NSW – July 2002

The digital channel plan determined channels for the Murrumbidgee Irrigation Area.

### Tasmania – July 2002

These digital channel plans determined channels for the third commercial television service in Tasmania.

## Datacasting licences

Under clause 7 of Schedule 6 to the Broadcasting Services Act, datacasting licences are available from the ABA on application. Only Australian companies, national broadcasters, government bodies, and bodies corporate established under Australian law for a public purpose, may apply for a datacasting licence. The ABA has determined an application fee of \$350.

A datacasting licence authorises the provision of a datacasting service. This is defined in the Broadcasting Services Act as a service that uses the broadcasting services bands and delivers content in the form of text, data, speech, music or other sounds or visual images (or in any form or combination of forms) to persons with appropriate reception equipment. The definition is broad enough to include the delivery of radio and television programs.

However, datacasting licences are subject to television program genre restrictions and to audio content restrictions, and these are

designed to encourage datacasters to offer a range of services that are different from traditional broadcasting services.

Under the Radiocommunications Act, the issuing of a datacasting licence does not automatically entitle its recipient to a transmitter licence. Commercial television broadcasters and the national broadcasters are permitted to use any spare transmission capacity available on their digital transmission channels for the purpose of transmitting datacasting services under datacasting licences.

During the reporting period, the ABA allocated one datacasting licence, to the Special Broadcasting Service (see table 6).

Prior to this reporting period, the ABA allocated datacasting licences to the following entities:

- Nine Network licensees for Brisbane, Melbourne and Sydney – 20 December 2001
- TEN Network licensees for Adelaide, Brisbane, Melbourne, Perth and Sydney – 25 January 2002
- Seven Network licensees for Adelaide, Brisbane, Melbourne, Perth, Sydney and regional Queensland – 11 March 2002.

The ABA maintains a register of datacasting licences, which can be viewed on its web site.

Table 6 Datacasting licence allocated

Licensee	Date allocated
Special Broadcasting Service	4 November 2002

## Strategy 2.2 Assess implementation plans for digital television services to ensure they are achieving the objects of the legislation

In the 2002–03 reporting period the ABA received, from existing commercial and national broadcasters, implementation plans for 106 sites for digital terrestrial television services. Also, the ABA approved 161 implementation plans for commercial and national broadcasters and issued 92 apparatus licences for digital terrestrial broadcasting and datacasting. Nineteen implementation plans are pending approval.

## Strategy 2.3 Advise the Minister and the department on issues concerning uses of digital technology to improve access to and diversity of digital broadcasting services

The ABA regularly briefs the Minister for Communications, Information Technology and the Arts and his department on developments in digital technology and issues associated with the rollout of digital television across Australia.

### Digital radio study group

The Minister for Communications, Information Technology and the Arts announced the formation of a Digital Radio Study Group (the DRSG) at the ABA Conference on 6 May 2003. The DRSG includes representatives from the Australian Broadcasting Authority, the Department of Communications, Information Technology and the Arts, and the Australian Communications Authority. Under its terms of reference the DRSG must report to the Minister by 28 November 2003 on the options for and implications of implementing various digital radio technologies in Australia.

The DRSG project plan envisages two phases, with the first phase consisting of two complementary fact-gathering exercises. The first exercise, led by the ABA, will provide a status report on digital radio technologies such as Eureka 147, IBOC, and Digital Radio Mondiale. The Department of Communications, Information Technology and the Arts is leading the other fact-gathering exercise, which involves reviewing overseas approaches to implementing digital radio technologies.

The second phase of the project, which is to include consultation, will draw on the work undertaken by the ABA and the department in the first phase.



Strategy 2.4 Work with government, industry and audiences to build community awareness of digital broadcasting services

#### Community awareness

The ABA's consultative inquiry processes provide an opportunity for it to gather information from the broadcasting industry about policy and planning issues relating to the introduction of digital television.

When drafting digital channel plans for metropolitan and regional markets, the ABA regularly consults the Digital Television Channel Planning Consultative Group.

When determining the digital channel plans, making amendments to the conversion schemes and finalising the Digital Television Interference Management Scheme, the ABA has consulted widely in the community, including with:

- broadcasting licensees (commercial, national and community), industry representative bodies and individuals from broadcasting-related industries
- government bodies, including the Australian Communications Authority and the Department of Communications, Information Technology and the Arts
- aspirant datacasters
- members of the public.

The ABA has also been an observer to the Consumer and Retailer Education Committee of Digital Broadcasting Australia. Digital Broadcasting Australia consists of representatives from major manufacturers, retailers of consumer equipment, suppliers of industry electronics equipment, and commercial and national broadcasters. It was formed to provide information about and to promote digital free-to-air television in Australia.

Strategy 2.5 Promote efficient use of spectrum by testing the extent and impact of the coverage of digital services

In 2002–03, the ABA conducted digital television field surveys in the following locations in Victoria: Tecoma/Belgrave, Geelong, Torquay, Ocean Grove, Bacchus Marsh, Blackwood, Ballan, Macedon, Lancefield and Kilmore.

Digital television field surveys were also conducted in and around the ACT at Fraser, Weston Creek, Tuggeranong, Yass, Bungendore, Gunning, Gungahlin and Murrumbateman.

## Goal 3

# Increase access to electronic media through timely allocation of other broadcasting services

Strategy 3.1 Maintain efficient and effective systems for allocation of subscription television and section 40 licences

### Subscription television broadcasting licences

Subscription television broadcasting licences are available from the ABA on application under section 96 of the Broadcasting Services Act. Licences are issued on the basis of one service per licence. The service may be provided using any delivery system such as satellite, cable, MDS (microwave or multi-point distribution system) or other means. The ABA charges one fee per application, which may be for a single licence or multiple licences. The ABA has determined a fee of \$1600 per application.

The ABA allocated 50 subscription television broadcasting licences during the reporting period (see table 7). Since 1992 the ABA has issued 2051 subscription television licences.

### Non-BSB commercial broadcasting licences

Under section 40 of the Broadcasting Services Act, the ABA may allocate commercial radio or television broadcasting licences for services that do not use the broadcasting services bands.

Section 40 licences are available on application for a fee of \$2400. Before allocating a licence, the ABA must designate a particular area in Australia as the licence area. The licence does not entitle the licensee to any particular mode of transmission or delivery.

The ABA notes that, during the reporting period, certain restrictions were placed on the delivery of commercial radio services provided under section 40 licences. These restrictions were pursuant to transmitter licences authorising the operation of a narrowband area service station at a frequency in the range 1606.5 kHz to 1705 kHz (MF NAS transmitter licences). On 30 October 2002 the Minister for Communications, Information Technology and the Arts directed the Australian Communications Authority to exercise its powers under the Radiocommunications Act to impose a condition on all MF NAS transmitter licences. The condition provides that the licensee must not operate a narrowband area service station under the licence for the purpose of providing a commercial broadcasting service unless:

- the MF NAS transmitter licence was first issued before 6 November 2002
- the commercial broadcasting service is provided under a licence which was allocated under section 40 of the Broadcasting Services Act before 6 November 2002

- the commercial broadcasting service commenced before 6 November 2002 and
- the location of the station is within 10 km of its location as at 6 November 2002.

The condition imposed by the Australian Communications Authority is set out in section 5.3 of the *Radiocommunications Licence Conditions (Broadcasting Licence) Determination No. 1 of 1998*.

During the reporting period the ABA allocated two commercial radio broadcasting licences under section 40 of the Broadcasting Services Act (see table 8).

The ABA renewed three commercial radio broadcasting licences issued under section 40 during the reporting period. One licence was surrendered. At the end of the reporting period, there were 14 Section 40 commercial radio broadcasting licences on issue.

Table 7 Subscription broadcasting television licences allocated

Applicant	Number of licences	Date allocated
TransACT Broadcasting Pty Ltd	50	20 November 2002

Table 8 Section 40 commercial radio licences allocated

Location	Frequency	Licensee	Date allocated
Australia-wide	non-BSB	Heart N Soul Productions Pty Ltd	8 October 2002
Adelaide, Brisbane, Canberra, Melbourne, Perth, Sydney	non-BSB	Perfect Income Tax Pty Ltd	20 November 2002

## Output 2

### Managed performance and review of electronic media

## Goal 4

### Maintain co-regulatory frameworks that provide adequate community safeguards

Strategy 4.1 Systematic review of existing codes and standards to ensure continuing relevance of codes and provision of adequate community safeguards

#### Codes of practice

Under section 123 of the Broadcasting Services Act, representative broadcasting industry groups are to develop codes of practice in consultation with the ABA, taking account of any relevant research that the ABA has conducted. Monitoring these codes once they are implemented, and dealing with unresolved complaints made under these codes, are among the ABA's primary functions.

The ABA includes a code in the register of codes of practice only if it is satisfied that:

- the code provides appropriate community safeguards for the matters that it covers
- the code is endorsed by a majority of broadcasting services providers in that section of the industry and
- members of the public have been given adequate opportunity to comment on the code.

Codes developed by the national broadcasters, ABC and SBS, are notified to the ABA but are not registered.

The co-regulatory scheme established under Schedule 5 of the Broadcasting Services Act applies to Internet service providers (ISPs) and Internet content hosts (ICHs). The Act encourages the development of codes of practice to cover these sections of the Internet industry. The ABA monitors compliance with the codes and can direct an ISP or ICH to comply with a code if it is not already doing so. Failure to comply with such a direction may amount to an offence, and the ABA has a range of enforcement powers for securing compliance.

The following codes were registered with the ABA as at 30 June 2003:

- Commercial Television Industry Code of Practice
- Commercial Radio Codes of Practice
- Community Broadcasting Code of Practice
- Subscription Television Broadcasting Codes of Practice
- Subscription Television Narrowcasting Codes of Practice
- Open Narrowcasting Television Codes of Practice
- Subscription Radio Narrowcasting Codes of Practice
- Open Narrowcasting Radio Codes of Practice
- Codes for Industry Self-Regulation in the Area of Internet Content
- Interactive Gambling Industry Code.

Revisions to the ABC Code of Practice and SBS Codes of Practice were notified to the ABA during the year.

### **Commercial television codes of practice**

Commercial Television Australia (CTVA, formerly the Federation of Australian Commercial Television Stations) commenced a review of its codes of practice in April 2002. The review covers a number of matters including:

- classification of content
- depictions of violence
- privacy
- disclosure of commercial arrangements in factual programming
- complaints handling
- an emergency code for regional television
- loudness of advertisements.

The ABA has been actively liaising with CTVA to develop the revised code and has undertaken research and conducted inquiries into the matters listed above in order to facilitate the code review process.

### **Commercial radio codes of practice**

Commercial Radio Australia (CRA, formerly the Federation of Australian Radio Broadcasters) is engaged in a review of its codes of practice, and it is anticipated that the review will continue into the next reporting period.

### **ASTRA codes**

The Australian Subscription Television and Radio Association (ASTRA) is currently reviewing its codes of practice. The review has involved a period of consultation with the public as well as an extensive period of consultation between the ABA and ASTRA. The ABA expects to register the revised codes early in the next reporting period.

### **Community broadcasting codes of practice**

The Community Broadcasting Association of Australia (CBAA) finalised its review of its

radio broadcasting codes of practice. The revised code was registered by the ABA on 24 October 2002. At the ABA's recommendation, CBAA is about to embark on developing a code of practice for community television licensees.

### **Internet Industry Association – content codes**

The ABA registered a code of practice for Internet services providers and Internet content hosts on 9 May 2002. The code is due for review in November 2003. The review will commence when the Department of Communications, Information Technology and the Arts has completed its review of the Online Content Scheme.

### **Internet Industry Association – interactive gambling codes**

Part 4 of the *Interactive Gambling Act 2001* (Cth) provides for registration of codes of practice for the Internet industry to cover designated Internet gambling matters. On 13 December 2001, the ABA registered a code developed by the Internet Industry Association on behalf of the Australian Internet industry. The code provides that it will be reviewed within 18 months of registration. The review will commence after the Department of Communications, Information Technology and the Arts has finished reviewing the Interactive Gambling Act.

### **Review of the Australian Content Standard**

Following an extensive review, a new Australian Content Standard came into effect on 1 January 2003. The revised standard maintains the minimum requirements for Australian programs while including a number of measures designed to improve the operation of the sub-quotas that apply to adult and children's drama.

The review began with an issues paper released

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<sup>1</sup> The consultants were Zenith Media and Durkin Consultancy. Details of their advice were given in the ABA's *Annual Report 2001–2002*, p.30.

in December 2001. After considering the submissions and conducting further research and analysis, the ABA released in July 2002 a paper proposing amendments. This stimulated considerable debate and saw a further round of submissions that continued through to early December. The new standard was finalised by the ABA on 23 December 2002.

The review was the first general examination of the Australian content rules since 1996. Consequently the ABA was concerned to see if the standard could work more effectively to provide audiences with a diverse range of quality Australian programming into the future. To this end, the ABA undertook considerable analysis of industry data and trends, and two external consultants were called in to give advice on specific aspects of children's drama.<sup>1</sup>

In summary, the revised standard:

- retains the 55 per cent transmission quota
- revises the points system for adult drama to provide greater encouragement for the more expensive formats of series, mini-series and telemovies
- provides an incentive for high-end independently-produced adult drama
- maintains the minimum requirement for first release children's drama at 32 hours per year
- introduces new elements of flexibility into the sub-quotas for adult and children's drama
- maintains the minimum requirement for

first release documentary at 20 hours per year

- maintains the automatic recognition of official co-productions
- involves no change to the recognition of New Zealand programs.

### Adult drama

The adult drama sub-quota is set as an overall points score with different 'format factors' which apply to series, serials, mini-series and telemovies as an incentive for licensees to broadcast the more expensive drama formats. The score for each program is calculated by multiplying the format factor by the program's duration. The ABA resolved to change the format factors to better reflect the cost and risk involved in commissioning various drama formats and to provide more encouragement of quality series, mini-series and telemovies. In particular the recalibration reflects the changes over recent years that have occurred in average licence fees paid by broadcasters for different formats. In addition the ABA, recognising the importance of maintaining diversity of content sources, introduced an incentive for high-end series produced by the independent sector. Another change concerned the treatment of feature films that had previously all received maximum points. Given the objective of aligning the points system with cost and risk, and recognising that a wide range of licence fees are paid for feature films, the new standard provides a two-tier treatment for feature films.

The revised format factors are as follows:

Table 9 Format factors for various drama genres

Drama genre	Format factor
Serials	1.0
Series	Series produced by an independent production company with a licence fee ≥ \$300 000 per hour
	3.0
	Other series
	2.5
Miniseries	4.0
Telemovies	4.0
Feature films	Feature films with licence fee ≥ \$150 000 per hour
	4.0
	Other feature films
	2.5

Note: indexed in line with the Consumer Price Index.

Reflecting the revised structure the overall points score was increased to maintain the current safety net in terms of minimum broadcast hours required to meet the quota. The new sub-quota levels are an annual quota of 250 points and a three-year quota of 860 points (with, as a transitional measure, a score of 830 points applying to the 2002 to 2004 compliance cycle).

A number of other changes were made to the adult drama sub-quota to allow greater flexibility, to encourage innovation, or to reflect changed circumstances. These include:

- a revised definition of Australian drama to incorporate improvisational script writing methods
- the extension of the drama time-band to 11.30 pm for programs of at least one hour's duration, to allow more 'edgy' Australian programs to be broadcast late at night and to qualify for the quota; in other cases the drama time-band remains at 5 pm to 11 pm
- narrative comedy pilots broadcast between 11 pm and midnight to count as Australian drama.

### **Children's drama**

The requirements for Australian children's drama operate in conjunction with the Children's Television Standards, whose objective is the provision of programs made specifically for children. There was considerable debate during the review about the effectiveness of the children's drama requirements.

Broadcasters raised the cost of C drama relative to other children's programs and argued that C drama programs tend to have limited appeal to the child audience. They sought a widening of the category to include children's documentaries in a drama and documentary sub-quota. In its response to the ABA's proposed amendments, FACTS (now Commercial Television Australia) proposed that a system of tradeable quotas be introduced into the commercial sector and between the commercial broadcasters and the ABC. Other

respondents felt that the effectiveness of children's drama is hampered by scheduling issues and by inadequate marketing and promotion.

The ABA resolved to maintain the sub-quota level for first release children's drama and at the same time to include some flexibility. The revised standard also aims to encourage greater diversity in children's drama by offering incentives for children's movies and mini-series and by targeting the 'tweens' audience.

Specific changes include:

- the introduction of three-year averaging of C drama, in the form of an annual sub-quota of 25 hours and a three-year sub-quota of 96 hours
- limited make-up provisions in the year after a three-year cycle in certain prescribed circumstances, and a limited ability to allow the carry forward of C drama hours broadcast in excess of quota requirements in the final year of the three-year period to the next year
- under a bonus system, each hour of C drama feature film or telemovie will count as three hours. To qualify for bonus hours, each C drama and telemovie must be of at least 80 minutes' duration (production length) and be broadcast between 5 pm and 11 pm
- ABA guidelines for C program classification have been amended to recognise 10- to 13-year-olds, or 'tweens', as a separate group within the broad definition of children.

When announcing the final standard the ABA expressed its concern that Australian children's drama should reach a wider audience and advised that it proposes to monitor broadcasters' publicity strategies for first-release drama; in this monitoring process the ABA is seeking broadcasters' cooperation. The ABA also advised that in 2003 it would further consider the issue of tradeable quotas.

### **Documentary**

The main issues in the review relating to the operation of documentary sub-quota were



whether the minimum hours should be reduced or maintained, and whether a mechanism should be introduced to encourage greater diversity and quality. The ABA resolved to maintain the minimum 20 hours requirement given the interest audiences had demonstrated in documentary programs. It also resolved to undertake an internal review to consider issues relating to the definition of a documentary program.

### **New Zealand programs**

The 1999 standard included New Zealand programs in accordance with Australia's obligations under the Closer Economic Relations Trade Agreement. Taking into account the small amount of New Zealand programming broadcast by the networks, the ABA concluded that the inclusion of New Zealand in the standard did not appear to have had any appreciable impact on the broadcast of Australian programs on commercial television.

### **Commercial radio standards**

In March 2003 the three commercial radio standards placed on all commercial radio licensees in November 2000 as a result of the ABA's Commercial Radio Inquiry were extended indefinitely. These standards regulate the disclosure of commercial agreements by presenters of current affairs programs, the need to distinguish advertisements from other programs, and the establishment of compliance programs by commercial radio licensees. They are:

- the *Broadcasting Services (Commercial Radio Current Affairs Disclosure) Standard 2000*
- the *Broadcasting Services (Commercial Radio Advertising) Standard 2000*
- the *Broadcasting Services (Commercial Radio Compliance Program) Standard 2000*.

The three standards were due to cease operation on 2 April 2003 but the ABA decided they should continue until investigations into matters relating to compliance have concluded and their implications, if any, for the standards

have been determined. The ABA will then consult with Commercial Radio Australia on the standards' future.

It is the ABA's intention that, at the appropriate time and after wide community consultation, the standards should be replaced by codes of practice that provide the same level of community safeguards. Unlike codes of practice, compliance with standards is a condition of a broadcaster's licence.

### **Research into community attitudes to violence on free-to-air television**

This research was commissioned by the ABA to determine the community's concern about violence on free-to-air television in 2002, and to understand any changes in community attitudes that have occurred since 1989 when the Australian Broadcasting Tribunal conducted a similar study. Restrictions on the depiction of violence are a key component of the classification scheme and of the news and current affairs provisions in the Commercial Television Industry Code of Practice.

The 2002 study, conducted by ACNielsen, investigated community attitudes to the portrayal, presentation and reporting of violence on free-to-air television. It also examined community perceptions of violence and how violence is categorised, with a specific focus on differences between fictional and actual depictions of violence. The study also examined the levels, in Australian homes, of television ownership, pay TV subscription, and internet connectivity, as well as where they were accessed in the home.

The national survey found that the level of concern about the portrayal of violence on free-to-air television has decreased over the past decade, yet violence remains people's primary concern. In 2002, 14 per cent of adults spontaneously mentioned violence as a concern compared to 25 per cent in 1989 when the survey was first conducted.

People are more likely to consider violence justified on television when it occurs in the context of news or the presentation of real events. However, more Australians now than in 1989 believe it is justifiable to show violence in movies or dramas or late in the evening. As in 1989, there is strong agreement that viewers should be allowed to watch what they like on television but there is also an expectation that violence on television should be subject to regulatory control.

The ABA commended the findings of the 2002 study to CTVA as part of its review of the code in 2003. The report was released on 7 May 2003 at the annual ABA conference.

### Community attitudes to commercial radio content

The ABA commissioned research during the year to examine how well radio provides programming that is responsive to audience needs, and to examine community attitudes to commercial radio content. This includes offensive language, the treatment of talkback callers, the conduct of competitions, and the disclosure of commercial agreements. The research, which was conducted by Taylor Nelson Sofres, also sought to ascertain community awareness of industry codes of practice and the complaints process. The research comprised qualitative (discussion groups) and quantitative (national survey) phases.

The ABA expects to publish the report later in 2003. The findings will feed into the industry review of the Commercial Radio Codes of Practice currently underway.

### Community attitudes to classification ratings and consumer advice

The ABA, in partnership with the OFLC, funded a market research study examining how Australians feel about classification ratings and consumer advice for television, films, videos, DVDs and computer games. A cross-section of the Australian community was recruited to participate in ten focus groups which were conducted in Sydney, Bundaberg and Hobart. The aim of this qualitative research was to highlight the key issues for consumers in their use of advice and their understanding of classification symbols.

### Privacy and the electronic media

Broadcasting codes in Australia, as elsewhere, recognise the need to balance respect for individual privacy with the media's role of informing the community on matters of public interest. The ABA conducted research into privacy and the electronic media to familiarise itself with recent privacy-related developments and to inform reviews of the broadcasting codes of practice being undertaken in 2003. The research reviewed the performance of commercial television and radio and examined whether the current approach in the codes to privacy matters requires modification.

The research included reviewing ABA privacy investigations, examining legal and regulatory developments in Australia and internationally, and reviewing community attitudes on individual privacy and the media.

The outcomes of the research were passed on to CTVA in the context of the review of the Commercial Television Code of Practice.

Consultation with other broadcasters and follow-up work are planned for the second half of 2003.

## Strategy 4.2 Educate community to enhance effectiveness of co-regulatory frameworks

Community education remains a key focus of the ABA's activities under the co-regulatory scheme for Internet content. The Broadcasting Services Act requires the ABA to:

- provide advice to parents on their children's Internet access
- conduct community education programs about Internet content.

### Cybersmart Kids

In 2001–02, the ABA launched its Cybersmart Kids web site: [www.cybersmartkids.com.au](http://www.cybersmartkids.com.au)

The web site provides Internet safety advice for children, parents and teachers, and it has continually been updated with new links throughout 2002–03. Feedback on the web site has been very positive. The ABA has also received a large number of requests, from agencies in Australia, the US and the UK, to link to the site. The web site includes a facility for young people to design posters with a Cybersmart theme. This has been enthusiastically taken up, with posters submitted from all around the world.

The ABA also published the first edition of the *Cybersmart Kids Online* email newsletter, with an initial subscriber base of over two hundred people. The newsletter contains general news about Internet safety and related issues and will be published at least twice a year.

The ABA continues to add to its series of brochures on Internet safety. In 2002–03, brochures were published on the topics of staying safe in chat rooms and avoiding 'spam'. The chat room brochure was launched by Nigel Williams, Chief Executive of UK agency Childnet International, while he was in Australia in December 2002. The brochure provoked media interest in the potential dangers of chat rooms and in the ABA's safety tips.

These two new brochures bring the total number to five: already there are brochures about general safety tips, choosing a filter, and Cybersmart Kids resources. Brochures were distributed throughout the year via school networks and to community groups. By year's end, approximately 54 000 had been sent out. They are also available on the ABA's web site: [www.aba.gov.au/internet](http://www.aba.gov.au/internet)

Concerning distribution of its brochures the ABA has entered into discussions with education departments across Australia. The NSW Department of Education and Training, in tandem with its pilot project to provide all students with email access, has already distributed some 10 000 copies of several of the brochures.

### Net Detectives

The ABA has reached an agreement with UK agency Childnet International to trial an exciting online activity, Net Detectives, in Australian schools. Net Detectives uses the medium to educate young people about the medium. Students participate in an online role-play that promotes the message of Internet safety. In November 2002, ABA staff took part in an online event based in the UK and they were impressed with the students' enthusiasm and level of engagement. Australian trials will take place between September 2003 and February 2004.

### Other activities

To promote its Internet safety message the ABA has participated in a number of state and national conferences. In October 2002, staff took the message to key education personnel at the NSW Computer Educators' Group. In May 2003, Professor Flint, ABA Chairman, was invited to give the keynote address at the Australian National Conference for Christian Schools Executives: he spoke on the subject of the Internet in Christian Schools. The conference was also attended by ABA staff, who promoted the Cybersmart Kids safety material.

Strategy 4.3 Issue expert opinions and decisions on –

- a) categories of broadcasting services
- b) ownership and control matters
- c) pre-classification of children's television programs

### Categories of broadcasting services

Under section 21 of the Broadcasting Services Act a person can ask the ABA to decide on the category of broadcasting service into which a potential or existing service falls.

In the period 1 July 2002 to 30 June 2003 the ABA received five such applications. Of these, one application received on 6 June 2003 remains under consideration, while four were dealt with inside statutory timeframes.

### Ownership and control matters

Under section 74 of the Broadcasting Services Act, an applicant can request that the ABA give an opinion on whether a person is in a position to control a licence, a newspaper or a company. The ABA must provide an opinion within 45 days, otherwise it is taken that the ABA's opinion accords with the applicant's; the process may take longer if the ABA requires further information from the applicant. Opinions on control are available on payment of a fee.

During this reporting period the ABA received no requests for such opinions.

### C and P programs classified

In the 2002–03 period the ABA assessed 62 programs (or series of programs) and granted classification to 53 of them. This compares with 50 programs assessed and 41 programs granted classification in the previous year (see table 10).

Table 10 C and P program classifications – applications granted

	Applications granted		Applications refused*	
	2002–03	2001–02	2002–03	2001–02
C	15	16	1	4
C Drama	19	12	1	2
Provisional C	12	9	6	3
Provisional P	3	1	0	0
P	4	3	1	0
<b>Total</b>	<b>53</b>	<b>9</b>	<b>41</b>	<b>9</b>

\* These programs failed to satisfy the criteria in the CTS.

See appendix 3 for a full list of C and P classified programs.

## Goal 5

# Ensure compliance by electronic media with relevant regulations

Strategy 5.1 Conduct investigations into complaints and possible breaches of regulations, on a priority basis that addresses matters of substantial public interest quickly

### Investigations into programming matters

If the ABA receives a complaint about a possible breach of the Broadcasting Services Act or of a licence condition, it must investigate the complaint.

If a complaint relates to a matter covered by a code of practice, it must first be made to the broadcaster concerned. It is the broadcaster's responsibility to deal with the complaint and attempt to resolve the matter to the complainant's satisfaction. If the complainant considers the broadcaster's response inadequate or does not receive a response within 60 days, they may then lodge a complaint with the ABA.

Complaints made in this way must be investigated by the ABA unless it is satisfied that the complaint is frivolous, vexatious, or was not made in good faith.

The ABA may itself initiate investigations into breaches of the Broadcasting Services Act or of licence conditions or codes under section 170 of

the Act. In the event of a breach by a commercial broadcaster, community broadcaster, subscription broadcaster or a provider of a service under a class licence, the ABA has a range of sanctions available to it. With regard to breaches of a licence condition, the ABA may issue a notice requiring the broadcaster to take action to ensure that the service is provided in a way that conforms to the requirements of the licence. Failure to comply with such a notice may result in referral of the matter to the Director of Public Prosecutions for possible prosecution. If a licensee fails to comply with a notice or breaches a condition of its licence, the ABA may suspend or cancel the licence.

With regard to a breach of a code of practice, the ABA may make compliance with a code a condition of a broadcaster's licence. In its investigations, the ABA has urged broadcasters to take remedial action to ensure that breaches of the code are not repeated.

With regard to a breach of a code of practice by a national broadcasting service (ABC or SBS), the ABA may, if it is satisfied the complaint is justified, recommend by notice in writing that the service take action to comply with the relevant code of practice. This may include the broadcasting (or other publication) of an apology or retraction. If the national broadcaster does not take appropriate action within 30 days of the recommendation, the ABA may give the Minister a written report on the matter. Within seven days of receiving the report, the Minister

Table 11 Investigations summary

	2002 – 03	2001 – 02
Investigations started	106	121
Investigations completed	106	163

Table 12 Investigations resulting in breach findings

Type of breach		
Code of practice	31	71
Licence condition	16	18
Broadcasting Services Act	1	2
Code of practice and licence condition	1	0
Broadcasting Services Act and licence condition	1	0
<b>Total investigations finding breaches</b>	<b>50</b>	<b>91</b>

Table 13 Investigations resulting in code breaches (by type of service)

Service	2002 – 03	2001 – 02
Commercial television	17	34
Commercial radio	2	5
Open narrowcasting television (community TV trial)	3	-
Community radio	7	25
SBS TV	1	-
ABC TV	-	3
ABC radio	1	3
Subscription broadcast TV	-	1
<b>Total</b>	<b>31</b>	<b>71</b>

Table 14 Investigations resulting in licence condition breaches (by type of service)

Service	2002 – 03	2001 – 02
Commercial television	-	1
Commercial radio	-	1
Open narrowcasting television (community TV trial)	1	-
Open narrowcasting radio	-	-
Community radio	15	16
Subscription broadcast TV	-	-
<b>Total</b>	<b>16</b>	<b>18</b>

must table it in both Houses of Parliament. The ABA took no such action during the reporting period.

### **Investigations started**

The ABA began 106 investigations in the 2002–03 period, 12.5 per cent fewer than the 121 started in 2001–02. Nevertheless the number of written complaints received by the ABA has remained fairly constant: in 2002–03 there were 586; in 2001–02 there were 575; and in the previous year there were 728.

### **Investigations completed**

One hundred and six investigations were completed over the year, 34.9 per cent fewer than the 163 in the previous year.

In 50 of the investigations (47 per cent) carried out in 2002–03, the ABA found a breach, compared to 91 (62 per cent) in the previous year. These statistics refer to the reporting period during which the investigation was completed, not to the time the broadcast occurred.

Of the 50 investigations, 32 related to code breaches. Of these, 18 pertained to commercial television stations, 16 fewer than in the previous reporting period. Three of the 18 breaches concerned the manner in which commercial television licensees handled complaints from viewers, whereas there were five such breaches in the previous reporting period.

Of the 32 code breaches, two pertained to commercial radio services, compared with five the previous year. Both these investigations found breaches to do with complaints handling. Seven of the 32 code breaches were in relation to community radio, 18 fewer than in the previous reporting period.

The revised Community Broadcasting Code of Practice was registered in 2002–03. This revised code addressed deficiencies in dispute resolution, to which attention had been drawn the year before. After the revised code had been registered, nine complaints concerning dispute resolution were received, but only one

warranted the start of an investigation into dispute resolution. Of the seven community radio code breaches, two concerned complaints handling, compared with six in 2001–02.

Of the 32 code breaches, one was in relation to ABC radio, compared with six for ABC radio and television services in the previous reporting period. The breach concerned the manner in which ABC radio handled a complaint.

SBS television was responsible for one of the 32 code breaches, compared with none the previous reporting period. The breach concerned the manner in which a complaint was handled.

Of the 32 code breaches, three were in relation to an open narrowcasting television service under the community television trial, compared to none the year before.

Of the 18 breaches of licence conditions, one related to commercial television, one to an open narrowcasting television service under the community television trial, one to open narrowcasting radio, and 15 to community radio (13 of these concerned the licence condition proscribing the broadcast of advertisements).

See appendix 4 for details of these investigations.

### **Time taken to complete investigations**

In the 2002–03 period, the ABA started and completed 106 investigations. At the start of the period, there were 29 investigations outstanding: one was more than six months old, 10 were between three and six months old, and 18 were less than three months old. At the end of the period, there were again 29 investigations outstanding: four more than six months old, six between three and six months old, and 19 were less than three months old.

The average time taken, during the reporting period, to complete an investigation was approximately eight weeks, three weeks less than in the previous reporting period.

Of the investigations completed within the reporting period, the ABA completed:

Table 15 Investigations resulting in Broadcasting Services Act breaches (by type of service)

Service	2002 – 03	2001 – 02
Open narrowcasting radio	1	1
Community radio (TCBL)	-	1
<b>Total</b>	<b>1</b>	<b>2</b>

Table 16 Investigations resulting in both code and licence conditions breaches (by type of service)

Service	2002 – 03	2001 – 02
Commercial TV	1	0
<b>Total</b>	<b>1</b>	<b>0</b>

Table 17 Investigations resulting in both Broadcasting Services Act and licence conditions breaches (by type of service)

Service	2002 – 03	2001 – 02
Open narrowcasting radio	1	0
<b>Total</b>	<b>1</b>	<b>0</b>

- 95 cent of priority investigations within six months (compared to a target of 100 per cent) and
- 79 per cent of non-priority investigations within three months (compared to a target of 75 per cent).

### Breaches of the Broadcasting Services Act

There were two breaches of the Broadcasting Services Act. Both were by licensees found to be providing a commercial radio service without a licence.

### Suspension of commercial radio broadcasting licence

The ABA suspended the licence of commercial radio broadcasting service 6GS Wagin in Western Australia for a period of 14 days from 15 June 2003. 6GS operates on a non-broadcasting services bands commercial radio licence. It transmits on a frequency just outside the AM band (1611kHz).

The suspension followed the ABA's finding that the licensee (Cybervale Pty Ltd) breached a condition of its licence in relation to providing audited accounts for the financial year ended 30 June 2002 by the due date of 31 December 2002.

In arriving at the decision to suspend the 6GS licence, the ABA considered the licensee's failure to provide the audited accounts within the prescribed timeframe was a serious breach of the condition of the licence.

As a reflection of the seriousness of the breach, this was the first time the ABA has suspended a commercial radio broadcasting licence

### Investigation into ACE TV Adelaide: providing a service for community and educational non-profit purposes

The ABA investigated whether Adelaide Community and Educational Television Inc. (ACE TV) had complied with the condition on



its apparatus licence requiring it to provide its service for community and educational non-profit purposes.

The ABA found that ACE TV had very few members and had not accepted new members for a long time. Although there were volunteers working at the station, the ABA was not convinced that ACE TV was involving members of the community in the service satisfactorily, nor that it was giving volunteers the opportunity to participate in its management and decision-making activities. ACE TV's governance arrangements seemed so inadequate and inappropriate that the ABA was not satisfied the organisation was operating for the community's benefit. Due to equipment damage, ACE TV had not broadcast for five months; the ABA concluded that it would not be able to recommence transmission before its transmitter licence expired and that, in effect, it was no longer providing a service for the community.

Having found that ACE TV had breached the condition on its apparatus licence, the ABA cancelled the licence. The ABA also revoked its determination that made spectrum available for the community television trial in Adelaide. ACE TV asked the Australian Communications Authority to reconsider the ABA's decision to cancel its licence. The ABA's decision was affirmed.

### **Renaissance TV investigation**

After receiving a complaint from the commercial television industry association, CTVA, the ABA investigated the services provided under the community television trial in Sydney and Melbourne. The services operate as Channel 31 in each city. The issue of concern related to the provision of programming by Renaissance TV pursuant to the sale of air-time agreements with each licence holder.

The ABA was not satisfied that there was a separate RTV service as had been alleged. The ABA found that the services provided by the licence holders were not commercial television

broadcasting services, as they did not provide programs that, in the context of the service, appeared to be intended to appeal to the general public.

### **2GB & 2CH control investigation**

The ABA examined the circumstances by which Mr Alan Jones and his associated companies came into a position to exercise control of the commercial radio licences for 2CH and 2GB Sydney. It found that there had been no failure to comply with the requirements of the Broadcasting Services Act in relation to notification of 'control' interests in the licences.

Following media reports in February 2002 that indicated Mr Jones had agreed to join radio 2GB in Sydney, the ABA enquired as to whether any disclosure was to be made as to a change in control of the licences owned by Macquarie Radio Network Pty Ltd. To this and a later query, the response was that no change had occurred that required notification to the ABA. Mr Jones commenced work at 2GB in March 2002.

The mandatory notifications were provided to the ABA in October 2002, and the ABA commenced its investigation in November 2002.

The ABA found that Mr Jones and his associated companies came into a position to exercise control of the commercial radio licences for the 2CH and 2GB services on 24 October 2002, and that the notifications provided to the ABA were in compliance with the requirements of the Act. The relevant interests acquired were dividend interests in Macquarie Radio Network Pty Ltd: these were significantly different in nature to those that had been reported in the media. Mr Jones was not found to have a role in management prior to 24 October 2002 that placed him in a position to exercise control of the licences.

In its report of its investigation, the ABA expressed concern that inaccurate reports as to Mr Jones' situation had gone uncorrected, and that insufficient care had been taken by the directors of the licensee companies in

statements to a Senate Committee and to the ABA. The ABA also expressed concern about the directors' understanding of the control rules in the Broadcasting Services Act.

### Imposition of an additional condition on licence held by Star Broadcasting Network Pty Ltd

In determining the licence area plans for radio services in the Brisbane and Ipswich areas in December 2000, the ABA decided not to amalgamate the two areas. The ABA determined that the commercial radio broadcasting service provided by Star Broadcasting Network Pty Limited (4MIX) would continue to be the sole commercial radio service in the Ipswich licence area. The ABA also determined a new technical specification for 4MIX including a change of frequency to provide adequate reception in the licence area.

After the frequency change, the ABA became aware that 4MIX was marketing and promoting its service for an area extending beyond its licence area, in particular for the Brisbane area generally. In response the ABA:

- proposed the imposition of an additional condition to ensure that the licensee provides a service for the Ipswich licence area, and
- gave the licensee the opportunity to make representations on the proposed condition.

On 16 August 2002 the ABA decided to impose the following additional condition on the licence held by Star Broadcasting Network Pty Ltd:

The licensee must ensure the service remains a broadcasting service for the Ipswich licence area by:

- marketing and promoting the service as a radio service for the Ipswich licence area
- regularly referring to Ipswich in its on-air promotions for the service
- not marketing or promoting the service, either on-air or in publicity or sales material, as a service

targeting an area, city, town, suburb or other location, unless that area, city, town or other location is wholly within the Ipswich licence area.

The condition was to take effect on 1 October 2002. On 16 September 2002 the licensee applied to the Administrative Appeals Tribunal for the decision to be reviewed.

### Interactive gambling

The *Interactive Gambling Act 2001* makes it an offence to provide certain types of gambling services to Australians and to advertise such services in Australia. Under the Act, the ABA is responsible for investigating complaints about alleged prohibited interactive gambling content and for registering industry codes of practice dealing with interactive gambling matters.

Section 68 of the *Interactive Gambling Act* requires that the Act be reviewed by 1 July 2003; consequently the Department of Communications, Information Technology and the Arts has called for submissions. The review is to consider:

- the operation of the *Interactive Gambling Act*
- the growth of interactive gambling services
- the social and commercial impact of interactive gambling services and the *Interactive Gambling Act's* effectiveness in dealing with them
- technological developments relevant to the regulation of interactive gambling services.

### Complaint handling

Part 3 of the *Interactive Gambling Act* establishes a complaints system for prohibited Internet gambling content. The ABA's complaint-handling role under the Act commenced on 11 January 2002.

By 30 June 2003, the ABA had received 24 complaints under the Act. Investigations into seventeen of those complaints have been completed. Six investigations were terminated

due to lack of information and one investigation was current at 30 June 2003. In eight, the ABA succeeded in tracking down the location of prohibited Internet gambling content. In all cases, the content was hosted outside Australia; and details were notified to makers of filter software in accordance with the Internet service provider code of practice registered under the Interactive Gambling Act.

The ABA referred one of the above eight matters to the Australian Federal Police for further investigation. It involves a possible breach of the offence provisions contained in the Act – specifically, the provision of an interactive gambling service to Australian end-users, and the publication in Australia of an interactive gambling service advertisement. The Australian Federal Police will advise the ABA of the outcome of its investigation in due course.

### Complaint handling – Internet content

During 2002–03, the ABA received 683 complaints about Internet content. It completed 516 investigations, including four investigations that were current at 30 June 2002. One hundred and sixty investigations were terminated, as the

ABA was unable to obtain sufficient information on which to base a decision (usually because the content identified by the complaint could not be located). Eleven investigations were current at 30 June 2003.

Of the 516 investigations completed, 381 resulted in location of content that was prohibited or potential prohibited content under the Act. Ten of these related to content that was hosted in Australia and the remaining 371 concerned content hosted outside Australia. The following table shows the breakdown, by content host location and content type, of items actioned as a result of completed investigations in which prohibited content was located.

The number of items actioned exceeds the number of investigations in which prohibited content was found, because some investigations encompass multiple items (for example, where a complainant identifies a number of web sites in a complaint, or the ABA investigates a number of postings in a newsgroup).

Almost two-thirds of items that were prohibited or potentially prohibited content were, or were likely to be, refused classification and 40 per cent of all items actioned constituted an exploitative or offensive depiction of a child

Table 18. Prohibited content – items actioned 2002–03 – host location and content type

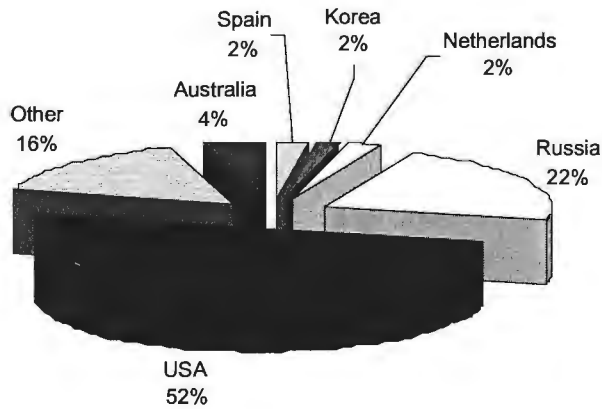
Content classification and description	Location of Internet content host		Total
	Australia	Outside Australia	
R – Implied/simulated sexual activity	6	N/A	6
R – Nudity	5	N/A	5
X – Actual sexual activity	7	194	201
RC – Depiction of bestiality	0	29	29
RC – Detailed instruction in crime	0	3	3
RC – Child pornography	6	232	238
RC – Frequent prolonged/detailed violence/cruelty	0	14	14
RC – Offensive/abhorrent fantasies	0	48	48
RC – Offensive/abhorrent sexual activity	2	17	19
RC – Paedophile activity	0	2	2
RC – Sexual violence	0	31	31
<b>Total</b>	<b>26</b>	<b>570</b>	<b>596</b>

(commonly referred to as child pornography), or were otherwise concerned with paedophile activity.

As shown in chart 1, the United States and the Russian Federation continued to account for the majority of prohibited or potentially prohibited content that was investigated and found to be hosted outside Australia.

Chart 1 – Prohibited content by host location .

**Prohibited content - host location**



## Strategy 5.2 Liaison with international bodies to enhance effectiveness of investigations

The Broadcasting Services Act requires the ABA to liaise with regulatory and other relevant bodies overseas to develop co-operative arrangements for Internet content regulation. These are to focus particularly on the development of multilateral codes of practice and content labelling technologies (Schedule 5 clause 94(e)). In performing this function, the ABA has participated in a range of policy and regulatory forums.

### Internet Hotline Providers in Europe Association (INHOPE)

The Internet Hotline Providers in Europe Association (INHOPE) is partly funded by the European Commission under the hotline component of its Safer Internet Action Plan. INHOPE member hotlines deal with complaints about illegal Internet content, mainly child pornography.

The ABA is an associate member of INHOPE. It was represented at members' meetings in Cambridge, England (September 2002) and in Reykjavik, Iceland (May 2003), and participated by teleconference in parts of the meeting held in Dublin, Ireland (February 2003). Members' meetings provide a valuable forum for exchanging information and expertise on investigation techniques, hotline promotion, staff welfare, and other hotline management issues.

The ABA's Hotline Manager chairs the INHOPE working group on content issues. At the Dublin meeting, the working group presented draft guidelines for investigating illegal content hosted by world wide web groups and communities. It is anticipated that these will be finalised in 2003–04.

At the Reykjavik meeting, a decision was taken to amend INHOPE's membership rules so that

bodies outside the European Economic Area could join the association as full members. The ABA expects to become a full member of INHOPE in 2003–04.

### Other forums

In Sydney from 28 to 30 October 2002, the ABA hosted the seventh Asia-Pacific Roundtable, with delegates coming from Australia, Hong Kong SAR China, Malaysia, New Zealand, Singapore, South Korea and Taiwan.

In November 2002 the ABA presented a paper on the Australian co-regulatory scheme as a case study to the UNESCO symposium on Freedom of Expression in the Information Society. This symposium contributes to the preparatory work being undertaken internationally for the International Telecommunications Union/ UNESCO World Summit on the Information Society in December 2003.

The ABA was invited to participate at 'Safe Cyberworld', a conference held in South Korea in November 2002 and hosted by the Information and Communications Ethics Committee. The conference canvassed issues arising from problematic material online, and a number of international perspectives were presented. The Manager Content Assessment attended on behalf of the ABA and gave a paper on Australia's co-regulatory approach. South Korea has subsequently applied for, and been granted, associate membership of INHOPE.

Strategy 5.3 Conduct a targeted compliance monitoring program to enhance compliance with rules concerning –

- a Australian content on commercial free-to-air television
- b children’s programming on commercial free-to-air television
- c pay TV drama expenditure
- d ownership and control
- e anti-siphoning / anti-hoarding

### Compliance with the Australian content standard

The ABA uses its Australian content database to monitor the commercial television licensees’ compliance with the Australian Content Standard. The database contains detailed information provided by the three commercial networks (Seven, Nine and Ten) about the programs broadcast by their metropolitan services. The ABA also collects information from regional licensees.

A new Australian Content Standard came into force on 1 January 2003. Since the Australian content compliance results are collected and calculated over a calendar year (January to December), the results reported below and in appendix 3 are for the 2002 calendar year and fall under the pre-2003 Australian Content Standard.

The Australian Content Standard requires all commercial television licensees to broadcast an annual minimum transmission quota of at least 55 per cent Australian programming between 6 am and midnight, including first release and

repeat programs. In addition, there are specific minimum annual sub-quotas for first release Australian drama, documentary and children’s programs, as well as sub-quota requirements for repeat children’s programs and Australian preschool programs.

In 2002 the annual quotas for first-release Australian programs were as follows:

- drama – minimum 225 points (830 points for the three-year period 2002–2004)
- documentary – 20 hours
- children’s C programs – 130 hours, including 32 hours of children’s C Drama.

The figures shown for the Seven Network licensees are interim figures only. The ABA has sought further clarification on a number of issues and is not in a position to finalise the figures at this point.

The licensees for which the ABA has final figures met the minimum transmission quota of 55 per cent Australian programming with some licensees exceeding the quota. In particular Nine licensees broadcast more than 59 per cent towards quota, with QTQ Brisbane broadcasting approximately 61 per cent.

The licensees for which the ABA has final figures have also met their obligations towards the Australian (adult) drama and documentary sub-quotas.

The Australian Content Standard was amended in 1999 to allow New Zealand programs to count towards the networks’ Australian content requirements, in accordance with Australia’s treaty obligations to New Zealand. The ABA monitors the amount of New Zealand programming that is broadcast on commercial television and claimed towards a network’s Australian content quotas.

There was a limited amount of New Zealand programming broadcast in 2002. The Nine network broadcast one New Zealand, infotainment program *Motorway Patrol*. This comprised 12 hours on TCN, 13 hours on GTV and 12.5 hours on QTQ.

## Compliance with the Australian content in advertising standard

The Australian Content in Advertising Standard requires that at least eighty per cent of advertising broadcast each year by commercial television licensees between 6am and midnight be used for Australian-produced advertisements. Therefore up to twenty per cent of this time is available for broadcasting foreign-produced advertisements.

The three commercial networks report to the ABA annually about the amount of Australian advertising they broadcast. Commercial Advice Pty Ltd (CAD), which is wholly owned by Commercial Television Australia, provides information to the ABA about the numbers of advertisements it has classified as Australian or foreign.

In 2002 the amount of Australian advertising broadcast by the networks averaged well above 80 per cent:

- the Seven Network averaged 91.7 per cent
- the Nine network averaged 91.4 per cent
- the TEN network averaged 90.2 per cent.

The average foreign advertising broadcast was:

- 8.3 per cent on Seven (8.6 per cent in 2001)
- 8.6 per cent on Nine (7.5 per cent in 2001)
- 9.8 per cent on TEN (10.8 per cent in 2001).

## Children's programming on commercial free-to-air television

Compliance with the Children's Television Standards (CTS) is a licence condition for all commercial television licensees. The objective of the CTS is to ensure that the child viewer has access to quality Australian children's programming, including drama and non-drama programs.

Under the CTS, commercial licensees are required to broadcast 390 hours of children's programming: 260 hours of children's (C) programs, and 130 hours of Australian

preschool (P) programs. This includes a requirement for 32 hours of first release and eight hours of repeat children's Australian C drama programs. Licensees can only claim programs classified by the ABA towards the children's (C) or preschool (P) program sub-quota.

The CTS also requires that children's programs claimed by the licensees towards sub-quota requirements must be broadcast in specific children's and preschool time bands. In addition, the CTS regulates the type and amount of advertising allowed during the broadcast of children's programming.

The ABA uses its Australian content database and its notification regime to monitor the networks' compliance with the CTS.

The children's program compliance figures shown for the Seven Network licensees are interim figures only. The ABA has sought further clarification on a number of issues and is not in a position to finalise these figures at this point.

The licensees for which the ABA has final figures met the minimum quota requirements for first release children's (C) programs and the repeat C drama requirement for 2002. The minimum quota requirement for Australian P programs has also been met.

In 2002, approximately nine hours of foreign children's programs were broadcast towards the total C quota of 260 hours.

The total C quota comprises a first release Australian C requirement of 130 hours and a repeat Australian C drama requirement of 8 hours. The total C quota allows licensees to count foreign C programs towards the balance of the C quota requirement.

As in previous years the licensees have broadcast in excess of the repeat Australian C drama requirement as well as a greater number of hours of repeat Australian non-C drama programs to meet the total C quota, rather than foreign C programs (see appendix 3).

## Pay TV drama expenditure

### Requirement for new eligible Australian drama expenditure on pay TV

The enforceable scheme for expenditure on new eligible Australian drama programs by pay TV drama services came into effect on 1 July 1999. The scheme, which is set out in Part 7, Division 2A of the Broadcasting Services Act, is enforced by a licence condition. It requires licensees and channel providers who provide a pay TV drama service to spend at least ten per cent of their total program expenditure on new eligible drama programs each financial year. The channel provider and/or the licensee must make up any shortfall in the channel provider's expenditure in the following financial year.

The Broadcasting Services Act defines a pay TV drama service as a service devoted predominantly to drama programs. An eligible drama program is classified as new if and only if the whole or a substantial part of the program has not been televised in Australia or New Zealand on a broadcasting service at any time before the licensee or channel provider has incurred the expenditure on the program.

### Compliance

All licensees and channel providers complied with the requirement to lodge annual returns on their program expenditure by lodging annual reports with the ABA in the second half of 2002. Due to the confidential nature of the information, compliance is reported in aggregate form only.

In 2001–02, total program expenditure by the 17 pay TV drama services was \$206.4 million, which meant that \$20.6 million had to be spent on new eligible Australian drama programs. In fact, expenditure on new eligible Australian drama programs was \$20.3 million (\$7.8 million of this amount was required expenditure carried over from 2001–02). This results in a carry-over obligation for 2002–03 of \$8.1 million.

The carry-over obligation does not equate to the difference between the ten per cent requirement

and the amount already spent, as some services spent more than ten per cent on new eligible drama programs.

If a service's expenditure is above ten per cent for a year it cannot be used to offset a shortfall the following year. Neither can one service's expenditure be used to make up a shortfall by another service.

## Ownership and control

During the reporting period the ABA conducted one major investigation into possible breaches of the control provisions under the Broadcasting Services Act. See Strategy 5.1 for an account of the investigation into control of 2GB and 2CH Sydney.

### Applications for prior approval

The prior approval of temporary breaches under section 67 of the Broadcasting Services Act, and extensions of the approval periods for such breaches under section 68, continue to bring about changes to the structure of the industry. As in previous years, this has been the case particularly in commercial radio.

One application for prior approval of a temporary breach under section 67 of the Broadcasting Services Act was approved by the ABA. One temporary breach was remedied within the reporting period.

Sections 67 and 68 require that the ABA must either approve or refuse the breach, or grant an extension within 45 days of receiving the application. Where the transaction for which prior approval has been given has actually taken place, details of approvals under section 67 and extensions under section 68 are made available to the public through the ABA's Notifications Register.

### Notices

Under section 70 of the Broadcasting Services Act, if the ABA is satisfied that a person is in breach of the ownership and control rules, it may, by notice in writing, direct the person or



the licensee to take action so that they are no longer in breach of that provision.

Details of notices issued under section 70 are made available to the public through the ABA's Notifications Register.

The ABA did not issue any notices under section 70 during the reporting period.

## **Notification requirements**

### **Annual notifications**

Section 62 of the Broadcasting Services Act requires that at the end of the financial year each commercial television and commercial radio licensee provide the ABA with details of:

- persons who are in a position to exercise control of the licence
- the name of each director of the licensee, and
- the name of each foreign director of the licensee.

Section 65 requires that, at the end of the financial year, each person who is in a position to exercise control of a commercial television licence or commercial radio licence must provide the ABA with details of:

- any company interests held at the end of the financial year in a newspaper that is associated with the licence area of the licence.

Finally, subsection 112(6) requires that subscription television broadcasting licensees notify the ABA of foreign persons with company interests exceeding twenty per cent in a subscription television broadcasting licence. This must be done within three months of the end of each financial year.

### **Notifications of changes in control**

Under section 63 of the Broadcasting Services Act, each commercial licensee must notify the ABA when a person has come to be, or ceased to be, in a position to exercise control of the licence. The licensee must do this within seven days of becoming aware of the event. Similarly, section 64 of the Broadcasting Services Act

requires that the *person* who has come into the position of control of a commercial licence must also notify the ABA within seven days.

Notifications of changes in control were received by the ABA for 78 commercial radio broadcasting licences. No notifications were received in relation to commercial television broadcasting licences. Compared with the previous reporting period, this was a 25 per cent decrease in notifications for commercial radio and a 700 per cent decrease for commercial television.

### **Compliance with notification requirements**

The ABA continues to be concerned about the commercial broadcasting industry's level of compliance with the notification requirements under the Broadcasting Services Act. During the reporting period the ABA had to remind 14 commercial broadcasting licensees of these requirements.

The public is kept informed of changes in ownership and control through the Notifications Register. Extracts from this are available on request.

## **Anti-siphoning / anti-hoarding**

### **Anti-siphoning**

The aim of the anti-siphoning provisions is to prevent pay TV services obtaining exclusive broadcast rights to certain events, particularly sports events that viewers have been used to seeing on free-to-air television.

Section 115 of the Broadcasting Services Act gives the Minister for Communications, Information Technology and the Arts the power to list, in a formal notice (known as the anti-siphoning list), events that should be available to viewers of free-to-air national and commercial television broadcasting services. The anti-siphoning list contains events in 11 sports categories and covers the period up until 31 December 2005 – plus the 2006 Federation Internationale de Football Association (FIFA) World Cup soccer tournament.

The ABA is required to report to the Minister about the operation of the anti-siphoning regulations and about the availability and acquisition of rights to listed events by free-to-air and pay TV networks. The ABA also reports to the Minister on adding events to and removing events from the anti-siphoning list.

The Minister may 'delist' an event from the anti-siphoning list if no free-to-air broadcaster is interested in acquiring the broadcast rights. This delisting allows pay TV licensees acquire the rights to events

In the 2002–03 period, following reports from the ABA, the Minister delisted the 2002 Australian cricket tests against Pakistan, the Australian cricket tests and one day matches against the West Indies, and the one-day cricket ICC Champions Trophy.

The anti-siphoning provisions were amended in 2001 (subsection 115(1AA)) to allow specified events to be delisted automatically 1008 hours (six weeks) before the event begins. The intention of the amendment is to allow enough time for pay TV licensees to acquire and promote an event if a free-to-air broadcaster does not acquire the rights, whilst at the same time still allowing adequate time prior to the event for free-to-air broadcasters to negotiate for the broadcast rights.

Section 115 (1AA) of the Broadcasting Services Act also provides that if the Minister considers 'that at least one commercial television broadcasting licensee or national broadcaster has not had a reasonable opportunity to acquire the right to televise the event concerned', he may publish a declaration in the *Gazette* so that the event is not automatically delisted but is retained on the anti-siphoning list. In 2002, no events were retained on the anti-siphoning list in this manner.

### **Anti-hoarding**

The anti-hoarding provisions took effect in December 1999. Their purpose is to ensure that free-to-air broadcasters do not hoard rights to the live coverage of events designated by the

Minister. If a free-to-air commercial broadcaster does acquire the live rights to a designated event but does not intend broadcasting the whole or even part of the event live, then the licensee must offer the broadcast rights to one of the national broadcasters for a nominal charge. The offer must be open from 30 days before the event and for a minimum of seven days.

In May 2000 the Minister declared that the FIFA World Cup Soccer tournament, to be held in 2002 and 2006 and including the opening ceremony and closing presentation, as designated events. These are the only events currently on the anti-hoarding list.

The ABA monitors compliance with the anti-hoarding provisions and reports to the Minister as required.

### **Other matters**

#### **Extension of commercial radio standards and 2UE licence condition**

On 3 March 2003, the ABA invited comment from interested parties on its intention to extend the three commercial radio standards that it placed on all commercial radio licensees in November 2000 and that were due to expire on 2 April 2003. On 17 March these standards were extended indefinitely.

The additional licence conditions imposed on the licensee of 2UE on 3 April 2000 were extended until 2 April 2004.

#### **Compliance with the commercial radio disclosure standard**

Licensees generally complied with the notification requirements of the Disclosure Standard in 2002. Four licensees notified the ABA, on the approved form, of the existence of relevant commercial agreements. These notifications pertained to four commercial radio services.

One licensee admitted to a breach of section 12(1) of the Disclosure Standard: a presenter had not provided the licensee with a copy of a further commercial agreement within seven

days. The licensee undertook to give its staff additional compliance training.

Three licensees, responsible for four commercial radio services, were found not to have complied with section 9(3) of the Disclosure Standard: they had failed to publish the presenters' agreements register on their web sites. The ABA accepted that these failures were due to changes in the technical design or operation of the web sites in question.

### **Compliance with licence conditions**

The licensee of Sydney commercial radio station 2UE admitted to a breach of section 4.2(b) of its licence condition. The licensee had failed to adequately maintain the register of presenters' agreements. 2UE's explanation for this breach was accepted by the ABA.

### **Investigations into Sydney commercial radio licensees**

On 29 October 2002 the ABA received a complaint from the Communications Law Centre alleging breaches by the licensees of 2GB and 2UE. The breaches related to the Disclosure Standard, the Advertising Standard, clause 4(2) of Schedule 2 of the Broadcasting Services Act (dealing with the broadcast of political material) and similar matters. The ABA released terms of

reference for investigations into these complaints on 7 November 2002. The investigations are ongoing.

### **Telephone sex services**

Part 9A of the *Telecommunications (Consumer Protection and Service Standards) Act 1999* came into force on 3 February 2000. Its intention is to address concerns that telephone sex services are too easily accessed by children.

Enforcing compliance with the legislation is the responsibility of the Australian Communications Authority. The ABA's role, under section 158F, is to issue certificates stating that a specified service is, or was, a telephone sex service. These are called 'evidentiary' certificates.

#### *Evidentiary certificates*

During the reporting period, the ABA received and investigated one request from the ACA regarding the issue of evidentiary certificates. The ABA also finalised a number of investigations outstanding from the previous reporting period. The ABA concluded that none of the services it investigated was a telephone sex service, within the meaning of section 158J of the *Telecommunications (Consumer Protection and Service Standards) Act 1999*.

Strategy 5.4 Expand licensee  
audit program to verify  
accuracy of gross earnings  
(on which licence fees are  
calculated)

Due to other priorities for the allocation of resources during the reporting period 2002-03, the second round of commercial radio and commercial television licensee audits are scheduled to commence during the 2003-04 reporting period.

## Goal 6

# Provide expert policy advice about the effectiveness of electronic media regulation particularly through legislative reviews

- 6.1 Review impact of legislation as required to test effectiveness of, in particular –
- a subscription television drama expenditure rules
  - b online scheme (Schedule 5 to the *Broadcasting Services Act 1992*)
  - c anti-siphoning / anti-hoarding rules

### Subscription television drama expenditure rules

The enforceable new eligible drama expenditure requirement for subscription television came into effect on 1 July 1999. The scheme, which is set out in Division 2A of Part 7 of the *Broadcasting Services Act*, is enforced by a licence condition. It requires licensees and channel providers that provide a subscription television drama service to spend at least ten per cent of their total program expenditure on new eligible drama programs each financial year.

Section 103ZJ of the *Broadcasting Services Act* requires the Minister to have a review

conducted of Australian and New Zealand content on subscription television broadcasting services before 31 March 2003. On 26 August 2002 the Minister directed the ABA to conduct an investigation into matters relevant to that review.

The ABA's investigation focused on the extent to which the scheme is achieving its purpose and the potential for improving its operation. On 20 December 2002 the ABA released a discussion paper inviting comment from all interested parties, including broadcasters, the production industry, film-funding agencies and the general community. In response the ABA received a total of 20 submissions.

Because some submissions were late, the Minister agreed to extend the investigation deadline until 30 May 2003; on this date the ABA submitted its report to the Minister.

### Online scheme

The ABA provided expert policy advice to the Government and other Australian Public Service agencies on a range of Internet content-related issues.

### Review of co-regulatory scheme

In November 2002, the ABA made a submission to the review of the operation of the co-regulatory scheme. The submission outlined the ABA's achievements in administering the scheme, which include:

- the registration of three codes of practice developed by the Internet Industry Association in consultation with the industry and the community, and compliance with the codes by major Internet service providers and Internet content hosts
- research into the Internet safety information needs of Australian families, and the subsequent implementation of a community education program including redevelopment of the ABA's web site for families ([www.cybersmartkids.com.au](http://www.cybersmartkids.com.au)) and related materials and activities
- the establishment of an online complaints hotline to deal with complaints about Internet content – 1500 complaints have been received since 1 January 2000
- the removal of 284 items of prohibited Internet content from Australian Internet sites, and the referral of 135 items of illegal content to State police forces
- the notification of 1003 items of overseas-hosted prohibited content to the makers of scheduled filters, and the referral of 490 items of overseas-hosted child pornography to overseas law enforcement agencies and overseas hotlines
- research on the effectiveness of filter software products, and the development of guidelines to help families select products to suit their specific needs
- the establishment of close working relationships with law enforcement agencies and overseas hotlines
- participation in international policy and regulation forums, and recognition by these bodies of international best practice by Australia.

The ABA's submission made the following recommendations.

- The co-regulatory approach to Internet content in Australia should continue, with periodic review of the roles and responsibilities of government, industry and the community.
- The current framework for operation of codes of practice for the Internet industry should continue, with regular reviews of the operation of the codes to ensure that they continue to meet their objectives.
- The effectiveness of the designated notification scheme, set out in Content Code 2, for prohibited and potential prohibited Internet content hosted outside Australia should continue to be monitored.
- The current threshold for prohibited content and potential prohibited content should remain.
- The regulatory status of audio-visual content streamed live on the Internet should be clarified, and such content should be regarded as Internet content for the purposes of the co-regulatory scheme.
- The ABA should continue to take action in regard to Internet content associated with 'spam', and further consideration should be given to measures that address the sources of spam and that encourage ISPs to give users tools and information for managing spam.
- The use of convergent devices should be monitored, with particular regard to the potential for children to be exposed to material that may be harmful to or unsuitable for them.
- The ABA's role in investigating complaints about Internet content should continue.
- Consideration should be given to options for dealing with Usenet newsgroups known to contain significant amounts of child pornography, including whether the Internet industry codes of practice could be amended to contain a mechanism for dealing with such content.
- The ABA's statutory role in relation to community education should continue.
- The effectiveness of the Internet industry codes of practice in relation to community education should continue to be monitored.
- The ABA's international liaison role in administering the scheme should continue.

- Developments in Internet content filtering technologies should continue to be monitored.
- ISPs should be encouraged to provide users with information about and access to new and improved filtering technologies as they become available.

Copies of the submission and further information about the arrangements for the review are available on the web site of the Department of Communications, Information Technology and the Arts.<sup>2</sup>

### Cyber-racism

In October 2002, the Human Rights and Equal Opportunity Commission convened a symposium on cyber-racism. ABA representatives attended the symposium and provided information on current regulatory arrangements for Internet content and possible regulatory and non-regulatory options for dealing with such content. The ABA has advised the Human Rights and Equal Opportunity Commission that the current scheme does not deal specifically with racial and discriminatory material that is not otherwise prohibited under Schedule 5 of the Act. Some filter software products provide an option for filtering such content, but the ABA is aware these are not 100 per cent effective. The ABA believes community education to be an important part of the strategy for dealing with material of this nature. Further information about the Commission's work in relation to this issue is available on its web site.<sup>3</sup>

### Cybercrime inquiry

In April 2003, the Parliamentary Joint Committee on the Australian Crime Commission announced that it would undertake an enquiry into cybercrime.<sup>4</sup> The ABA made a submission to the enquiry, providing information about the ABA's role in administering the co-regulatory scheme for Internet content, particularly in relation to Internet child pornography and paedophile activity. In its submission, the ABA noted that

over half of all items of Internet content actioned by the ABA since 1 January 2000 were child pornography or other paedophile-related material. The ABA has also drawn the Committee's attention to the risks associated with children's use of Internet chat rooms and has provided it with information about the ABA's initiatives in raising community awareness of Internet safety issues.

### Premium rate telephone services

In April 2003, the Australian Communications Authority announced that it would review aspects of the operation of 190 premium services and services accessed via an international access code. The review would seek views on a draft service provider determination, with rules requiring carriage service providers to impose a monthly cap on premium services and to give consumers information about these services and about numbers accessed via an international access code. The review would also consider whether additional regulatory measures for these services are necessary.

ABA staff provided the Australian Communications Authority with information regarding reports of 'Internet dumping' involving premium rate Internet services. The ABA supported the idea of charging 'caps' to address the high charges some subscribers are incurring, often without realising it. Other ideas for addressing this problem included placing restrictions on data services using the 190x network and strengthening call barring arrangements.

### Anti-siphoning / anti-hoarding rules

No review of anti-siphoning/anti-hoarding rules was carried out during this reporting period.

2 [http://www.dcita.gov.au/Article/0,,0\\_1-2\\_10-3\\_481-4\\_106158,00.html](http://www.dcita.gov.au/Article/0,,0_1-2_10-3_481-4_106158,00.html).

3 [http://www.hreoc.gov.au/racial\\_discrimination/cyberracism/index.html](http://www.hreoc.gov.au/racial_discrimination/cyberracism/index.html)

4 [http://www.aph.gov.au/Senate/committee/acc\\_ctte/index.htm](http://www.aph.gov.au/Senate/committee/acc_ctte/index.htm).

## Goal 7

# Advise and inform Government, industry and the community about major current and emerging issues affecting electronic media

Strategy 7.1 Publish aggregated financial data concerning commercial television and radio broadcasting licensees

### Broadcasting financial results

In April 2003, the ABA released the 2001–02 broadcasting financial results for 249 of the 256 commercial radio and 48 commercial television licensees.<sup>1</sup> In line with the role of informing itself and the government on industry trends, the ABA requests that commercial television and commercial radio licensees submit details of their financial performance each year. Licensees provide information on revenue, expenses, profits, assets and liabilities for each of their broadcasting services. The ABA aggregates the information, which is then published as *Broadcasting Financial Results. Aggregated*

financial results are a valuable source of information for the industry, which includes existing and aspirant broadcasters, the Government, financial advisers and market researchers. Details on the financial performance of commercial radio and commercial television licensees in metropolitan and regional Australia are available in *Broadcasting Financial Results 2001–02*, which can be purchased from the ABA.

### Licence fees

In 2002–03 the ABA collected commercial broadcasting licence fees of \$204.4 million, a 6.5 per cent decrease on last year's \$218.6 million. The fees are based on revenue earned by commercial television and commercial radio licensees during the 2001–02 financial period. Eligible regional television licensees were able to claim regional equalisation rebates if the ABA approved their plans to provide digital television before 1 January 2004.

Table 19 Licence fees collected

	Number of licences		Total licence fees collected (\$million)	
	2002–03	2001–02	2002–03	2001–02
Commercial radio	256	245	15.5	15.6
Commercial television	48	48	188.9	203.0

<sup>1</sup> On 10 April 2003, the total number of commercial radio stations was amended from 258 to 256.



Annual licence fees are calculated as a percentage of a licensee's gross earnings for the previous financial period. To preserve confidentiality, licence fees paid by individual operators are not published. The collected fees go to the Commonwealth's consolidated revenue.

### Regional equalisation plan

The ABA administers the Regional Equalisation Plan, which was introduced as a disallowable instrument under clause 64(1), Part 11 of Schedule 4 of the Broadcasting Services Act. The plan enabled regional television licensees to claim rebates totalling \$21.8 million for the 2002–03 collection year. This was in recognition of the fact that regional television licensees face higher per capita costs in converting to digital broadcasting than do their metropolitan counterparts. While metropolitan television licensees were required to begin digital transmission from 1 January 2001, regional licensees can do so between that date and 1 January 2004.

Strategy 7.2 Enhance ABA expertise by conducting contemporary research and investigations as a basis for informing future policy development to promote accessible, diverse and responsible electronic media

### Tradeable obligations

Towards the end of the 2002 review of the Australian Content Standard, the ABA foreshadowed that it would undertake further work on tradeable quotas in the context of identifying alternative mechanisms for future local content regulation. Tradeable regulatory obligations are most commonly found in the environmental and natural resource areas, where they are applied, for example, to greenhouse emissions and fishing quotas. The principle is that by allowing firms to trade their obligations, regulation will become more efficient at no cost to the overall performance targets of the industry concerned. While discussion about the applicability of such an approach to broadcasting quotas has been ongoing, no detailed analysis has previously been undertaken.

As part of its consideration of tradeable obligations the ABA has engaged the Allen Consulting Group to undertake an economic study. The study included:

- an analysis of the circumstances necessary for a market in tradeable obligations to operate successfully
- an examination of the television industry in the light of this analysis
- discussion of the practical issues and effects of introducing a market for obligations in the television industry.

Two types of obligations are of particular interest: Australian content, and local news and information. It is anticipated that the findings of

the study will be incorporated in an ABA discussion paper to be prepared in the second half of 2003. The paper will consider the policy ramifications of a tradeable obligations approach, including the likely impact on audiences and on the objectives of quality, innovation and diversity in programming.

### Australia–USA free trade agreement

In January 2003 the ABA made a submission to the Department of Foreign Affairs and Trade on a proposed approach to negotiating a Free Trade Agreement with the United States. In its submission the ABA argued that audiovisual services and measures supporting cultural objectives should be excluded from the Free Trade Agreement altogether. This position is consistent with the ABA's previous submissions to the Department of Foreign Affairs and Trade on World Trade Organization reviews, where it emphasised the importance of Australia's audiovisual services in building national identity and strengthening Australia's trading position in the global market for audiovisual services.

The ABA's approach is also consistent with the position taken in the Australia–Singapore Free Trade Agreement. This position resulted in Singapore's audiovisual services and measures supporting cultural objectives being excluded from the scope of the agreement. The ABA submitted that free trade negotiations must anticipate technological and policy changes in any future digital environment. Australia's right to pursue cultural policy goals therefore must not be limited in the negotiations by a restrictive definition of culture or by being tied to specific technologies or platforms.

### Digital television consultancy

In February 2003, the ABA published on its web site the report on *Digital Television in Australia: 2002 Industry Survey*. This study of the views of industry players on the potential drivers and inhibitors of the digital television industry was

conducted by the Interactive Television Research Institute (ITRI), Murdoch University.

The preliminary results of the survey were presented at the ABA's annual conference in May 2002 by Professor Duane Varan, Director of the ITRI. Professor Varan also holds the Foundation Chair for New Media, Murdoch University, Western Australia.

The survey of 90 key players in the free-to-air, pay TV and advertising industries, predicted that the uptake of digital television in Australia would be 46 per cent by 2008. The figure includes both free-to-air and pay TV digital.

According to the survey the main benefits of digital television to consumers will be multi-channelling and electronic program guides. The two least significant benefits will be high-definition television and the Australian version of datacasting.

The survey tested attitudes towards 17 different types of program, in order to discern which ones the industry thinks will benefit most from the enhancements digital television makes possible. The top five were sport, games shows, children's television, reality television, and music programs.

The main benefits to advertisers were felt to be improved measurement and better media targeting. However, much of the medium is yet to be tapped.

The three biggest inhibitors of the uptake of digital television were seen to be expense (including the costs of infrastructure and set top boxes) and a lack of content and complexity.

### Community television legislation

In late August 2002 the ABA made a submission to the discussion paper, *Proposal for Community Broadcasting Amendments*, released by the Department of Communications, Information Technology and the Arts on 16 August 2002. The department had invited comments on proposals to introduce legislation in Parliament to provide for community television licensing and to address related community broadcasting issues.

In its submission, the ABA welcomed the government's proposals. Specifically, it endorsed proposed changes to licensing arrangements for non-BRACS (broadcasting for remote Aboriginal communities) and community television services. The latter reflected a main finding of the ABA's investigation into the community television trial: the need to provide a more appropriate regulatory framework for community television services than the present open narrowcasting arrangements.

The ABA also welcomed new discretionary powers for the renewal of community broadcasting licences generally. While the renewal of most community broadcasting licences should continue to be an automatic process, the ABA considered that the proposed amendments will provide a mechanism for review, thereby enabling reform and growth as new community groups emerge and as community interests and needs change.

### Spectrum management review

On 10 September 2002 the ABA made a submission to the discussion paper, *Options for Structural Reform in Spectrum Management*, released by the Department of Communications, Information Technology and the Arts in early August 2002. The paper raised the question of whether organisational changes in the ABA and the Australian Communications Authority would lead to improvements in spectrum management. It also put forward options for rearranging the ABA's and Australian Communications Authority's spectrum management responsibilities.

The ABA submitted that a merger with the Australian Communications Authority would be the most appropriate response to the challenges of a converging communications environment, although it would also raise complex policy and legislative issues. The ABA did not support the options to transfer planning and licensing functions from the ABA to the Australian Communications Authority, because

this would disconnect the ABA's management of broadcasting services bands from its other regulatory activities.

### ABA review of remote commercial radio services

On 27 September 2002, the ABA finalised terms of reference for a review of the Remote Commercial Radio Services (RCRS).

The ABA had initially announced its intention to conduct the review in November 2001, but had delayed starting the review until it was clearer what the impact on the RCRS would be of the Government's Commercial Radio Black Spots Program, a program announced in the May 2002 budget.

On 9 August 2002, the Minister for Communications, Information Technology and the Arts wrote to the ABA to request that it conduct a review of the RCRS scheme. He asked in particular whether the provision of commercially viable services is feasible under the current RCRS arrangements, and if not, what changes would have to be made to achieve that objective. The ABA decided to conduct the review by commencing an investigation under Division 2 of Part 13 of the Broadcasting Services Act.

The RCRS scheme was set up in 1987 to enable commercial radio services to be provided to people in remote Australia who did not have access to such services. The ABA decided to review the RCRS because of the apparent failure of the scheme to meet its objectives: only the western zone RCRS provides a level of service that approaches the coverage originally intended by the scheme.

The RCRS licence areas and current licence holders are as follows:

Table 20 Remote commercial radio services licence areas

Licence area	Area served	Licensee	Call sign
Western zone (mono service)	Remote WA	North West Radio Pty Ltd	6SAT
Western zone (stereo service)	Remote WA	North West Radio Pty Ltd	6FMS
Central zone	NT, SA, & parts of Victoria	W&L Phillips Pty Ltd	8SAT
North-east zone	Remote Qld & northern NSW	Rebel FM Pty Ltd	4RBL
North-east zone	Remote Qld & northern NSW	Rebel FM Pty Ltd*	4BRZ

\* In February 2002, Rebel FM was allocated a second commercial radio licence under section 39 of the Broadcasting Services Act. The service commenced in February 2003.

The ABA's review has examined the nature and characteristics of the RCRS, factors affecting the provision of the RCRS (including the commercial viability of the services), the impact on the operation of the RCRS of the legal and policy frameworks under which the services have operated since they were granted, and options for ensuring the future provision of commercial radio broadcasting services in the licence areas the RCRS serves.

In November 2002, the ABA commissioned the Sydney financial consultancy firm Sourcing Value Pty Ltd to assess the commercial viability of the RCRS. Sourcing Value delivered its report to the ABA in December 2002. In March 2003, the ABA asked Sourcing Value to provide an additional assessment in relation to the Government's Commercial Radio Black Spots Program.

As of 30 June 2003, the ABA was considering comments from the licensees on the draft report with a view to finalising the report to the Minister by late August.

Because much of the report relates to confidential financial information about the RCRS licensees, the report will not be released publicly.

### Variation of conditions of a class licence

In August 2002, the ABA varied the class licence under which open narrowcasting radio services are provided, by imposing additional conditions on these services. The additional conditions are contained in the *Broadcasting Services (Additional*

*Conditions-Open Narrowcasting Radio Services) Notice 2002*. The notice commenced on 1 January 2003.

Before varying a class licence, section 120 of the Broadcasting Services Act requires the ABA to publicise its intention to vary the licence and to invite representations on the proposed variation. The ABA invited representations in July 2002. Ten representations were received.

The additional conditions apply to a person who provides an open narrowcasting radio service using a transmitter authorised under a high power licence (an HPON licence, i.e. a licence planned and auctioned by the ABA), or who provides an open narrowcasting radio service as a networked service (including services provided under low power, or LPON, licences issued by the ACA).

The conditions require persons to whom the Notice applies to give the ABA a statement in an approved form explaining how reception of their service is limited in a way described in section 18(1)(a) of the Broadcasting Services Act (which sets out the criteria for open narrowcasting services). This statement must be given to the ABA within 30 days of either the commencement of the notice or the day on which the service is first provided, whichever is the later.

If, after having given the ABA such a statement, there is a significant change to a fact or circumstance by which reception of the service is limited, the person must give the ABA a further statement, in an approved form, that describes the change and explains how reception of the service is limited in a way

described in section 18(1)(a) of the Broadcasting Services Act. This statement must be given to the ABA not later than 30 days after the significant change.

The information collected by the ABA under the condition has been published on the ABA's web site in summary form at: [www.aba.gov.au/radio/narrowcasting](http://www.aba.gov.au/radio/narrowcasting).

The ABA expects that publishing this information will go some way towards making more useful information about narrowcasting services available to the public and industry. Such information has not previously been easily available.

### Clarification of criteria for open narrowcasting services

Open narrowcasting services are defined in section 18 of the Broadcasting Services Act as services whose reception is limited:

- (i) by being targeted to a special interest group; or
- (ii) by being intended only for limited locations, for example, arenas or business premises; or
- (iii) by being provided during a limited period or to cover a special event; or
- (iv) because it provides programs of limited appeal; or
- (v) for some other reason.

Only one of these criteria needs to be satisfied for a service to be an open narrowcasting service.

Open narrowcasting services are provided under the class licence provisions of the Broadcasting Services Act. Class licences are standing authorisations that allow anyone to

provide a broadcasting service as long as the person abides by the conditions applicable to the particular category of class licence. Individual broadcasting licences are not required for services provided under class licences.

Along with a set of standard conditions (Schedule 2, Parts 2 & 7 of the Broadcasting Services Act), open narrowcasting services must comply with any determinations or clarifications made under section 19 of the Broadcasting Services Act. Under section 19, the ABA may determine additional criteria or clarify existing criteria in relation to the categories of service defined in sections 14–18 of the Broadcasting Services Act.

In August 2002, the ABA clarified the criteria for open narrowcasting services by issuing the *Broadcasting Services Clarification Notice 2002* under section 19 of the Broadcasting Services Act.

The 2002 clarification notice clarifies that a broadcasting service targeted to persons of a particular age or range of ages (including audiences described in terms such as 'baby boomers' or 'generation x') is, with one exception, not an open narrowcasting service by reason only of being targeted to those persons. The exception is that a broadcasting service targeted to persons less than 10 years of age is an open narrowcasting service. The notice also clarifies that a group may be a special interest group whether or not the group is organised on a formal basis.

The 2002 clarification notice applies only to radio non-subscription AM or FM broadcasting services delivered within the broadcasting service bands.

### Strategy 7.3 Maintain international relationships with regulatory bodies and other organisations

The ABA has actively participated in international forums, such as the meetings in Geneva of the International Telecommunications Union, as well as in international meetings and subsequent working parties.

The ABA also holds an annual conference, which provides an opportunity for international speakers to present information and to be a party to discussions about emerging issues and policy in the Australian broadcasting industry.

## Goal 8

# Improve the internal capability of the ABA to deliver its outputs

Strategy 8.1 Invest in a more strategic, skilled and satisfying workplace

### Certified agreement

In October 2002 the ABA finalised its third Certified Agreement under section 170LJ of the *Workplace Relations Act 1996*. The Agreement covers the employment arrangements and conditions of work for staff who have not entered into Australian Workplace Agreements (AWA), and it has a nominal expiry date of 30 June 2004. Approximately 123 staff are covered by the Agreement, of which the key features are salary increases, leave, and code of conduct, for each of which details are given below.

#### Salary increases

- Adjustments of between \$150 and \$1100 were made for specific pay points from 1 September 2002.
- There was a five per cent pay increase for all pay points (including those adjusted) from 1 September 2002.
- There was a two per cent pay increase from 1 July 2003.

#### Leave

- There will be a two-day shut down at Christmas.

- Sick leave and personal leave are now combined into one form of accruable leave.

#### Code of conduct

The Certified Agreement now includes the APS Code of Conduct. The Agreement seeks to build a more strategic, skilled and satisfying workplace. In pursuing this objective the ABA is implementing two key strategies over the life of the Agreement:

- the development of a Strategic Human Resource Plan to address future workforce needs
- a review of ABA work level standards and the development of new standards, as well as a process for defining ABA values and expectations of employee and management behaviour.

Australian Workplace Agreements are in place for all five Senior Executive Staff and one Executive Level 2 staff member. All AWAs have a nominal expiry date of 30 June 2004.

#### Consultation

Under the Certified Agreement, the major consultative body in the ABA is a Consultative Forum. The forum will deal mainly with the key strategic and change issues that affect the ABA. The forum comprises management, union and staff representatives, and is chaired by the ABA's Chairperson (or delegate).

The Consultative Forum met on four occasions during 2002–03. Discussions focused on issues such as accommodation changes in both the Sydney and Canberra offices, the new Human Resources system, change management, revised terms of reference for the Forum, and the AIMS (ABA Information Management System) project.

A number of approaches are used to involve staff in decision-making and information sharing. These include 'all staff' meetings in Sydney and Canberra with the General Manager, planning sessions, branch and section meetings, focus groups, 'tune-ups', and the use of the ABA Intranet for disseminating information.

## Change management

The ABA conducted a staff attitude survey in December 2001 that identified two issues of general concern: the need to develop a strategic framework for change management, and the need to develop an internal communications strategy. These issues are now being addressed by the Change Management Project, which is proceeding under the guidance of a consultant and should be completed by the close of the calendar year.

## Performance and development framework

The new Certified Agreement assures the continuation of the Performance and Development Framework. The Framework provides the ABA with a key mechanism for work planning, performance review, and identifying important development activities that need to occur during the period.

The Framework is linked to the ABA's planning cycle. It facilitates effective communication and formal feedback at mid-cycle reviews and yearly assessments.

The ABA's establishment of a comprehensive Human Resources Development Plan further enhances and supports the Performance and Development Framework. Learning and development activities are now determined

through the twin inputs of needs identified in the business planning cycle and needs identified as corporate priorities in the HRD Plan.

## Development and training

The ABA is committed to providing opportunities for employees to improve their on-the-job skills, to providing opportunities to help increase employees adaptability and mobility, and to assisting employees achieve their full potential by supporting learning and development activities.

The Human Resources Development Plan sets guiding principles for corporate and individual skill-needs both now and in the future. In particular it helps guide decisions about the allocation of resources to learning and development activities.

Of the 129 staff employed at the ABA, 73 attended training during the year. The ABA's net expenditure for staff training was \$105 108. Activities included training in management and leadership skills, information technology skills, job-specific skills, understanding legislative requirements, and attending seminars and conferences. ABA 'tune-ups' are also used to pass on leading-edge research and knowledge to others in the agency.

During the year, eight employees benefited from Studies Assistance under the provisions of the ABA Studies Assistance Policy and Guidelines. This assistance cost a total of \$8085. The employees undertook a variety of courses including tertiary qualifications in specialised fields such as Communications, Business Administration, Economics, and Law.

## Human resources development plan

The Human Resources Development Plan, established in 2001, set the parameters for further learning, training and professional development across the ABA. The plan is linked to the planning and performance frameworks and to the Studies Assistance Program.

The training and development needs recognised under the Performance and Development



Framework are met through a range of development options that are identified and decided on by each branch of the ABA independently. The value of the Human Resources Development Plan is that it guides strategic decision-making about Human Resources Development activities and expenditure without becoming overly prescriptive. The principles underpinning the plan reflect the range of needs across the ABA, including corporate priorities. Each branch can use the plan as the basis for its local Human Resources Development planning.

Over the coming year the HRD Plan will be reviewed in light of the Strategic Human Resource Plan.

### Workplace diversity program

The ABA Workplace Diversity Program 2002–05 incorporates Australian Public Service values and the *APS Guidelines on Workplace Diversity* (released in 2001). The program has been put in place to assist the ABA in its plans to:

- promote the benefits of diversity, for both agency and staff
- develop and implement actions and achieve results towards diversity targets
- adhere to its legal responsibilities as an employer
- increase staff awareness and understanding of workplace diversity issues and encourage staff to recognise the benefits of operating within an inclusive work environment.

The diversity principles are aimed at valuing the range and variety of skills, abilities and backgrounds in the workplace and the Australian community at large.

The ABA continues to recognise and value individual differences and to raise awareness of the importance of workplace diversity by:

- including the acknowledgement and acceptance/encouragement of diversity in organisational and individual performance plans

- ensuring that selection criteria for management positions include the ability to integrate workplace diversity principles into everyday management practice
- making information available to new staff in induction material.

The ABA seeks to achieve high-quality equity and diversity outcomes by:

- supporting equal access to training and development for all individuals and groups
- ensuring that senior management support the Workplace Diversity coordinator
- helping employees balance work, study, family life and other caring responsibilities through access to home-based work, part-time work, Flexitime and Flexbank, Studies Assistance, and Personal and Purchased Leave.

The ABA regularly reviews its employee profile. Profile movements in recent years are as follows.

#### As at 30 June 1999

- The ABA employed a total of 149 staff.
- 86 (57.7%) were women.
- 29 (19.5%) were from a non-English speaking background.
- Six (4%) were people with a disability.

#### As at 30 June 2001

- The ABA employed a total of 140 staff.
- 77 (55%) were women.
- 28 (20%) were from a non-English speaking background.
- Six (4.28%) were people with a disability.

#### As at 30 June 2003

- The ABA employed a total of 129 staff.
- 68 (52.71%) were women.
- 23 (17.82%) were from a non-English speaking background.
- Five (3.87%) were people with a disability.

Equity in staff selection processes is promoted by training all relevant employees in how to

select staff, and by monitoring the effectiveness of the staff selection guidelines.

## Occupational health and safety

It is the policy of the ABA to promote and maintain a high standard of health, safety and well-being for all staff. This is to be achieved by:

- preventing accidents and ill-health caused by adverse working conditions
- protecting staff, contractors and the public from health hazards which may arise from their work or the conditions in which they work
- locating staff in an occupational environment that maximises health, safety and well-being.

The mechanisms for implementing this policy are set out in the ABA's Occupational Health and Safety Agreement.

The ABA has established two Occupational Health and Safety (OH&S) work groups, one in the Sydney office, the other in the Canberra office. Each group has one OH&S representative and one deputy. Each representative undertakes a five-day training course accredited by the Commission for the Safety, Rehabilitation and Compensation of Commonwealth Employees.

The ABA also has an Occupational Health and Safety Committee, which is made up of management representatives, health and safety representatives, and union delegates. During the reporting period the Committee met four times.

OH&S and management representatives carry out regular workplace inspections. If a problem is identified, the representatives take action to remedy it and prevent potential hazards. Reports on these inspections are presented at each OH&S Committee meeting.

During the reporting period, staff were given training on manual handling and ergonomics. Additional training was given to members of the OH&S Committee for their extra duties.

## Strategy 8.2 Review and maintain efficient and effective core and other business processes

### Strategic planning

During the reporting year, work was undertaken to achieve all targets within the ABA's planning and reporting framework. Key targets include annual strategic reviews, quarterly budget reviews and quarterly reporting on agency performance against the Corporate Plan.

To assist staff to understand planning and reporting in the ABA, information on the various cycles (including planning, budgeting and reporting) has been made available on the ABA's intranet. This information provides staff with an easy guide to strategic planning in the ABA including:

- insight into when and how the ABA's corporate plan is reviewed
- how the outcomes and outputs framework underpins strategic planning and
- when and in what format the ABA undertakes business and work planning.

### Resources allocation

The ABA continued to implement enhancements to its resources allocation and budgeting processes. These processes aim to provide:

- stronger links between corporate planning, budgeting and performance reporting
- an agency-wide approach to resource allocation and regular opportunities for the ABA to review its resource allocation priorities
- improved transparency, flexibility and priority setting
- more streamlined budget processes and
- a framework which facilitates internal allocation and reporting of resources on an accrual basis.

The ABA's internal distribution of resources for 2002-03 took place using these enhanced processes.

### **Internal audit**

The ABA's internal auditor, Deloitte Touche Tohmatsu, conducted reviews into two areas of ABA's operations during the year – these were Financial Management and Employee Management.

The Financial Management review focussed on the key general business processes and controls within the areas of allocation and use of corporate credit cards, travel and entertainment. The Employee Management review examined the business processes and controls associated with employee salary costs, leave management and leave provisioning. The ABA's Audit committee considered the findings of the reviews in its April meeting.

Both reviews aimed at ensuring that ABA's operational procedures were consistent with industry and ANAO better practice guidelines and standards. Both audits resulted in a range of recommendations which are progressively being implemented. There were no significant adverse findings.

The completion of these reviews marks the finalisation of the current audit program and the end of the term of engagement of the internal audit provider. Early in 2003-04, ABA will take

action to select a new internal audit provider, to be engaged for a period of three years.

With the assistance of the new internal auditor, ABA will develop a new three year risk assessment and audit plan.

### **Accommodation**

During the year, the ABA changed its accommodation arrangements in both its Sydney and Canberra offices.

#### **Canberra office**

The ABA relocated within the Benjamin Offices, Belconnen, following expiration of its lease and a decision by the owner of the building to redevelop the site. The ABA's new premises (within the Magenta Building) were re-fitted in a more modern and open-plan style and resulted in considerable savings in space. The move was completed in December 2002.

#### **Sydney office**

Following a comprehensive testing of the city office property market, the ABA decided to stay at its Darling Park location by negotiating a new ten-year lease with the owners of the building. This new accommodation arrangement means the ABA occupies around fifteen per cent less floor space, and results in a partial refit of the Sydney offices and a more open-plan and flexible work environment. The project is due for completion in August 2003.

## Strategy 8.3 Maintain access to expert internal and external legal services

### Legal section

The Legal section of the ABA provides or facilitates the provision of legal advice on the range of activities the ABA undertakes, and manages litigation. To assist all staff of the ABA in formulating requests for legal advice, a new template request memorandum and guidelines have been developed and made available. The guidelines aim to focus requests for advice on the real issues, and to ensure that all relevant matters are considered in the course of deciding to ask for legal advice, and in framing the questions put. The request template is designed to prompt inclusion of appropriate details of the circumstances giving rise to the request, to expedite the provision of advice by eliminating (where possible) toing and froing for more information.

General Counsel and other legal staff attend at regular meetings of the ABA and its various committees, to assist in identifying legal issues that may arise in the course of discussions.

Staff have been encouraged in their legal studies at both undergraduate and post-graduate levels,

by provision of financial assistance and study leave. The ABA has arranged for its legal staff to attend relevant seminars and conferences to enhance and update their professional knowledge, on topics such as administrative law, communications and media law, and intellectual property. Lawyers working at the ABA have complied with their professional obligations by undertaking the required amounts of Mandatory Continuing Legal Education to qualify for issue of new annual practising certificates. Memberships of appropriate professional associations have been maintained.

The resources available to legal staff include access to online services and a small library with network links for inter-library loans.

### External legal services

The Legal Section of the ABA instructs external legal service providers, as appropriate, to provide advice to the ABA, or represent it in proceedings in Courts and Tribunals. Those so instructed include barristers, private solicitors and the Australian Government Solicitor (AGS), the Office of General Counsel in AGS, and the Office of Legislative Drafting in the Attorney-General's Department.

Strategy 8.4 Optimise the use of information technology to facilitate business process improvement, to enhance information management, and to deliver all appropriate services electronically

### Strategic information technology plan

Work was finalised in relation to the ABA's Strategic IT Plan. The plan indicates a requirement for a greater range of IT services and a more mature, flexible and integrated IT environment including:

- better online publishing capabilities
- improved online service provision
- secure data exchange
- a unified data repository
- more sophisticated information management capabilities
- improved reporting tools,
- secure remote access.

The ABA is now working with its outsourced IT provider, Ipex ITG, to develop a Technology Plan. The Technology Plan will facilitate decision making on options for the ABA's future IT infrastructure. The plan will focus on:

- key technical directions and architecture
- strategic hardware and software platforms.

The plan will also indicate the IT training requirements resulting from recommended changes or upgrades in technology, and it will provide a cost/benefit analysis of any proposed change, along with a projected schedule for developing and implementing any recommended changes. The Technology Plan is to be completed in the second half of 2003.

### IT business continuity plan

The ABA commenced work on an IT business continuity plan. The purpose of the IT Business Continuity Plan is to identify risks and develop detailed recovery strategies in the event these risks materialise. In 2002-03 the ABA completed a process of assessing risk against critical business functions and resources. The ABA has asked its outsourced IT provider, Ipex ITG, to build a comprehensive listing of all IT infrastructure, resources and processes to assist in its recovery strategies. The IT Business Continuity Plan should be completed in the second half of 2003.

### Infrastructure and security upgrade

The ABA has completed a risk assessment process with a view to upgrading the IT infrastructure and security of its web services and external links. Specifications and tender documents were prepared and proposals invited for undertaking a comprehensive upgrade. The ABA expects the upgrade to be completed in the second half of 2003. The upgrade will achieve security levels consistent with Defence Signals Directorate recommendations and will also deliver a much improved level of reliability.

### Consolidation of ABA structured data within a single organisational structure (AIMS)

Work continued on implementation of the ABA Information Management System (AIMS) project. AIMS is identified in the ABA's IT Strategic Plan (2002) as a key high-priority project because it positions the ABA to 'adopt a whole-of-organisation approach to information management ... [and] to provide new and enhanced client services'.

AIMS replaces a range of disparate information technology systems and processes – many of these are MS Access applications that were developed for a specific purpose and are past their use-by-date. MS Access has a limited capacity to support a network of users: thus

users have not been able to share data across the organisation. The goal of AIMS is to replace these systems and provide a consistent cross-organisation application and technology infrastructure that will support the ABA as it moves forward in the rapidly changing business and technological environment.

AIMS is being implemented using a staged approach with modules being rolled out once developed by the ABA's IT contractor, Eden Technology. Implementation of all modules is expected to take place by the end of the calendar year – an overview of the implementation timeline is provided below.

Key priorities following full implementation of AIMS, relate to changed work practices and optimising use of information. The ABA has appointed an IT professional to administer the new system, and assist in report writing and data retrieval.

Longer term priorities focus on streamlining of data entry and retrieval, and making information in AIMS more accessible to the ABA and its clients. The AIMS project is a significant investment for the ABA in terms of both cost and strategic business outcome. Further investment, including decision making around greater accessibility of information (including by 'web enablement'), is dependent upon better understanding of the areas of interest to the ABA's clients and in a cost/benefit analysis of such investment.

### Overview of AIMS timeline

The core functions and AIMS modules that have already been implemented or are nearing finalisation include:

- the records management system, which was installed in August 2001. This is a software package called Objective, which has been customised for ABA use
- the legal opinions database, stored in the electronic document management system of the Objective software package. This database consists of electronic versions of legal advices received by the ABA (loaded into the software in December 2001), together with an index of those advices (which is being completed over time)
- several customised AIMS database modules, including:
  - the Australian content compliance module, which was built in August 2002 and
  - the licensing module, which was completed in April 2003.

The ABA expects that the remaining modules will be completed by the end of December 2003. These modules comprise:

- the Media and Public Relations module, which is expected to be completed by September 2003
- the Industry Review module, which is expected to be completed by October 2003
- the Industry Performance module, which is expected to be completed by October 2003
- the Planning module, which is expected to be completed by October 2003
- the Content Assessment module, which is expected to be completed by November 2003
- the Investigations module, which is expected to be completed by November 2003 and
- the Legal module, which is expected to be completed by December 2003.

### Information tools and systems

The library continues to provide a comprehensive research and information service. Recent changes with the ABA's Sydney accommodation provided an opportunity to relocate and review the physical space occupied by the library. The new library space (now located on level 15 of the Sydney office) is more integrated with other ABA functions and activities, in particular, it is now closely aligned with the ABA's records management staff. In an effort to consolidate into a smaller space, the print collection has been reviewed in line with core business objectives, and greater use is

being made of obtaining information in electronic format. The ABA encourages and supports the uptake and use of electronic services by arranging assessments and demonstrations of new products, and training sessions for staff.

To facilitate information sharing and service provision, the library is an active member of the following professional networks:

- Australian and New Zealand Law Librarians Group
- Screen Network Information Providers
- Libraries of the Social Sciences
- GLASS, a cooperative initiative of NSW Government and Health libraries
- Federal Libraries Information Network.

There is close liaison between the libraries of the ABA, the Australian Communications Authority, and the Department of Communications, Information Technology and the Arts.

The library's home page on the ABA intranet (Homer) links users to internal information, such as the library catalogue, and to external information, such as full-text journals, legislation, extrinsic legal materials and online legal publications, and general reference tools. Staff can send book requests directly from the catalogue.

The library continues to hold print materials, especially historically valuable documents, but there is now greater reliance on external collections for non-core library materials. Staff can obtain these materials using inter-library loans and document delivery services. As for its own print materials, the library's goal is to catalogue all items to make them accessible from the desktop.

The library provides staff with a comprehensive weekly electronic alert service of the latest international developments in broadcasting. A selection of these alerts is reproduced in the monthly newsletter, *ABA Update*.

In line with electronic service provision to the public, FAQs (frequently asked reference

questions) have now been published on the ABA web site. These pages have proved very popular and are a frequent entry point into the ABA.

## Web site and intranet for corporate communication

The ABA continues to develop its Intranet as a 'portal' for internal ABA information. The rollout of a small content management system to manage the Intranet was completed at the end of 2002. This system allows staff members to update pages without recourse to third party software or HTML, the web's programming language. By updating and managing their own web pages, staff have a better understanding how to develop web content. Eventually, similar technology will be rolled out to the ABA web site, and this will make it easier for clients to customize the information they receive from the ABA.

Two new applications have been added to the Intranet, one for Human Resources and another for travel, and both are accessible from the home page. The new Human Resources application, CHRIS Kiosk, lets staff visit the intranet and apply for leave without having to fill out paper forms. By automating this procedure, the approving of leave now takes up less time. Additional features of the application will be rolled out over the next year: these will allow staff to book training and update pay details online. The new Intranet travel application allows staff to process their travel application online. This streamlines travel arrangements reduces delays and paperwork, and provides much improved management information on staff travel.

In 2001, the ABA developed a four-year Online Infrastructure Plan to take advantage of improvements in technology and to streamline the delivery of information electronically to clients. Most of the elements of the plan have now been implemented successfully and under budget. Improvements include:

- a new design and navigation for the web site
- compliance with web site disability access requirements
- an improved search engine
- the development of policies and templates to ensure that content is developed consistently
- the addition of a content management system to the intranet that reduces the need to train staff to use web languages (e.g. HTML) and web development tools (e.g. Frontpage)
- ongoing improvements to online complaints forms
- better archiving of web site content.

Now that the IT Strategic Plan has been introduced and most objectives of the Online Infrastructure Plan have been met, the ABA has developed a new three-year plan: the Online Technology Plan. The plan sets out estimated costs and a timeline for improving the online delivery of information as outlined in the IT Strategic Plan. Following successful implementation of all AIMS modules, these improvements will give clients greater interactivity with the ABA.

## FMIS

The ABA commenced a process to replace its Financial Management and Information System (FMIS) during the reporting year.

Since 1996 the ABA has relied on its Prophecy system to provide accounting and reporting functionality, and while this system has operated reliably, it is now considered quite dated. The current generation of accounting systems offers greater functionality and, is considerably more user friendly and efficient in operation. The ABA's version of Prophecy is also unable to cope with ABA's expanded reporting requirements, particularly those arising from the government's Budget and Estimates Framework Review.

LogicaCMG was commissioned to assist in identifying the most suitable system from the range offered, by the market, to medium sized enterprises. The recommended solution was Finance One, which satisfied all of the ABA's design requirements and was within budget.

Implementation commenced in June 2003, and the new system is expected to be commissioned in August, and fully implemented by the end of September 2003.

In line with its commitment to continuous improvement, the ABA also took this opportunity to examine the efficiency of certain accounting processes, particularly accounts payable, and to restructure the chart of accounts to suit current business operations. When fully implemented, Finance One will deliver considerable operational efficiencies in the accounts processing and expenditure/budget reporting areas.



8.5 Develop the external orientation of the ABA through the active management of stakeholder relationships, the communication of key messages and the meeting of external reporting requirements

### Stakeholder satisfaction with ABA performance

The ABA held regular meetings with the associations representing the various sectors of the broadcasting and Internet industries and regularly consults with other relevant bodies. These include:

- Commercial Radio Australia (previously the Federation of Australian Radio Broadcasters)
- Commercial Television Australia (previously the Federation of Australian Commercial Television Stations)
- the Australian Subscription Television and Radio Association Inc.
- Broadcast Australia (previously NTL Australia)
- TX Australia
- TVNZ Australia
- the Australian Broadcasting Corporation
- the Special Broadcasting Service
- Community Broadcasting Association of Australia
- Community Broadcasting Foundation
- Internet Industry Association
- Net Alert
- Progressive Radio Association
- Australian Association of National Advertisers
- Advertising Federation of Australia
- Radiocommunications Consultative Committee
- Screen Producers Association of Australia
- Australian Screen Directors Association
- Australian Writers Guild
- Media Entertainment and Arts Alliance
- Communications Law Centre
- Office of Film and Literature Classification
- Australian Film Commission
- Film Finance Corporation
- Film Australia
- Australian Music Performance Committee, and
- Digital Convergence Australia.

The ABA also held regular meetings with the Department of Communications Information Technology and the Arts and staff of the Minister's office.

The ABA did not carry out any formal analysis of stakeholder satisfaction in 2002–03 but it plans to consider options for such a process early in the 2003–04 year.

### External events successfully managed, in particular the ABA's annual conference and bi-annual visits to regional areas

On 26 August 2002, in Brisbane, the ABA held auctions for new commercial radio licences to serve the Gold Coast and Nambour.

The ABA held a media conference in Cairns on 27 August 2002 to release the findings of its inquiry into adequacy of local content on regional television.

The ABA held its third annual conference in Canberra on 6 and 7 May 2003.

Seventy-six people attended an industry reception in Adelaide on Wednesday 26 March 2003, including all Members of the ABA. Guests included representatives from the commercial television and commercial radio industries, community radio and community television

aspirants, print media, local MPs, including the Attorney-General; university lecturers, local film producers, and the SA Film Corporation.

### **Material published, including online publishing that informs external stakeholders and that is produced in a timely and economical manner**

The ABA continued its extensive print publishing and electronic publishing programs during the year. Apart from a number of commercial publications, the ABA published all its reports, papers, licence area plans, digital channel plans, guides and fact sheets simultaneously in print form and on the ABA web site.

In June 2003, as a consequence of moving to smaller Sydney office accommodation, the ABA divested itself of much of its stock of hard copy publications. Concurrently, it began the process of making available on its website many of those publications that were previously only available in hard copy.

The ABA's monthly newsletter, *ABA Update*, continued to be an important source of information about the ABA's activities. It is available on the ABA website and circulates to more than three hundred subscribers. See appendix 9 for details of ABA publications released during the year.

### **Key messages on significant ABA issues communicated to external stakeholders and decision documents, including project plans, addressing stakeholder management and communication issues**

The ABA pursues a proactive strategy of releasing information to the media to ensure that information in the public arena is timely

and accurate. In 2002–03, the ABA issued 139 news releases and dealt with more than twelve hundred queries from journalists. ABA members and staff gave interviews to the electronic and print media on a range of issues, including local program content in regional areas, community television, digital television, parents role in Internet use, and the timing of metropolitan FM radio licence auctions.

### **All statutory reporting requirements met**

The ABA's *Annual Report 2001–2002*, including its audited financial statement, was tabled in Parliament on 23 October 2002.

### **Regulatory impact statement compliance report**

The ABA's Regulatory Impact Statement Compliance report was submitted to the Office of Regulation Review for the period 1 July 2002 to 30 June 2003, in compliance with the Government's Regulation Impact Statement requirements.

### **Commonwealth regulatory plan submission**

Regulatory Plans published on the ABA's web site on 31 July 2003. The Office of Small Business was notified with the relevant web site address for inclusion on the regulatory plan links page.

### **Other**

The ABA met its other statutory reporting requirements including Portfolio Budget Statements, State of the Service Report, and Charter of Public Service in a Culturally Diverse Society.

### **Service charter standards met**

For an account of the ABA's performance against its service charter, see appendix 12.

# Appendixes

## Appendix 1

### Freedom of information

#### Section 8 statement

Section 8 of the *Freedom of Information Act 1982* (FoI Act) requires each Commonwealth Government agency to publish detailed information about the way it is organised, its functions, its decision-making powers and other powers affecting members of the public, arrangements for outside involvement in the work of the agency, categories of documents held by the agency and how these can be accessed by the public.

The earlier sections of this annual report explain the ABA's role and functions. This appendix supplements that information for the purposes of section 8 of the FoI Act and is correct as at 30 June 2003.

#### ABA functions and powers

The ABA was established in 1992. It is organised into four branches:

- Industry Performance and Review
- Planning
- Policy, Legal and Licensing
- Corporate Services.

The ABA's functions and powers are distributed between the branches as described below.

#### Industry Performance and Review Branch

The Industry Performance and Review Branch comprises the Content Assessment Section, the Industry Performance Section, the Industry Review Section and the Investigations Section.

#### Content Assessment Section

The responsibilities of the Content Assessment Section are to:

- advise on the development and registration of codes of practice for the Internet industry relating to Internet content and Internet gambling matters
- advise on the determination of standards for the Internet industry relating to Internet content and Internet gambling content
- monitor compliance with those codes or standards
- investigate complaints about Internet content and Internet gambling content and take appropriate enforcement action
- advise and assist parents and responsible adults in the supervision and control of children's access to Internet content
- conduct and/or coordinate community education programs about Internet content and Internet carriage services
- liaise with relevant overseas regulators and other bodies about co-operative arrangements for regulating the Internet industry
- inform the ABA and advise the Minister about developments and trends in the Internet industry
- investigate complaints alleging breaches of codes of practice in relation to language, violence and sexual content in television programs
- make decisions about the classification of programs for children
- assess requests for the issue of a certificate that a specified telephone service is, or was, a telephone sex service.

#### Industry Performance Section

The responsibilities of the Industry Performance Section are to:

- collect commercial radio and commercial television licence fees
- prepare annual broadcasting financial results
- monitor compliance with the control provisions of the Act

- conduct investigations or hearings into licensees' compliance with the control provisions of the Act
- assess applications for prior approval of temporary breaches of the control provisions of the Act
- issue notices to persons in breach of the control provisions of the Act
- maintain registers relating to:
  - newspapers associated with commercial radio and television broadcasting licence areas
  - notifications of controllers of licences, directors of licensees, and changes of control and interests in associated newspapers
  - approvals of temporary breaches of the control provisions of the Act
  - extensions of time granted to remedy temporary breaches of the control provisions approved by the ABA
  - notices to persons in breach of the control provisions
  - extensions of time granted to remedy breaches of the control provisions
  - large circulation newspapers.
- prepare opinions on whether a person is in a position to control a licence, a newspaper or a company.

### **Industry Review Section**

The responsibilities of the Industry Review Section are to:

- advise on the development and registration of codes of practice for each section of the broadcasting industry
- develop standards for commercial television broadcasting licensees relating to the Australian content of programs and programs for children
- develop standards for sections of the broadcasting industry when the ABA is satisfied it should determine a standard

- monitor compliance with standards
- monitor compliance with the anti-siphoning and anti-hoarding provisions of the Act and report to the Minister as required
- monitor compliance with requirements on subscription television broadcasting licensees for minimum levels of expenditure on Australian content.

### **Investigations Section**

The responsibilities of the Investigations Section are to:

- prepare opinions on the category of service into which a broadcasting service falls
- maintain registers of codes of practice
- monitor compliance with those codes
- investigate complaints alleging breaches of the codes of practice for sections of the broadcasting industry including the ABC and SBS other than complaints relating to language, violence and sexual content in television programs
- investigate complaints alleging offences against the Act or breaches of licence conditions by licensees of broadcasting services
- advise on enforcement action in relation to breaches of licensing provisions for broadcasting services including:
  - issuing notices to providers of broadcasting services operating without a licence
  - imposing, varying or revoking conditions on commercial, community and subscription broadcasting licences and class licences
  - issuing notices to stop breaches of conditions of licences, class licences or certain codes of practice
  - suspending or cancelling commercial, community or subscription broadcasting licences.

## Planning Branch

The Planning Branch comprises the Planning Section, the Engineering and Information Section and the Branch Support Section.

### Planning and Engineering and Information Sections

The responsibilities of the Planning and Engineering and Information Sections are to:

- plan the use of the radio frequency spectrum in the broadcasting services bands for analog AM and FM radio services and analog VHF and UHF television services by:
  - developing planning priorities for determination by the ABA and preparing variations to those priorities for the ABA's approval
  - preparing frequency allotment plans and variations to those plans
  - preparing licence area plans, and variations to those plans, which specify the number and characteristics of broadcasting services to be available in areas of Australia that use the broadcasting services bands
  - designating and varying licence areas
  - making broadcasting services bands spectrum available for alternative uses for a specified period
- develop technical planning guidelines for broadcasting services using frequencies within the broadcasting services bands
- determine licence area populations
- approve the transmission of commercial and community broadcasting services outside of their licence areas
- formulate and administer schemes for converting commercial and national television broadcasting services from analog mode to digital mode which require the ABA to:
  - prepare a document explaining technical assumptions concerning considerations as to the 'same level of coverage and

potential reception quality' in digital mode as is achieved in analog mode

- prepare digital channel plans, which allot and assign channels to television broadcasters, allowing them to transmit programs in analog and digital modes during a simulcast period
  - identify in the digital channel plans channels that may be available for uses other than the conversion of existing broadcasting services
  - assess and approve implementation plans submitted by commercial television broadcasters
  - approve test transmissions of digital signals at any time before or during a simulcast period
  - assess requests for a certificate that exempts the owner or operator of a broadcasting transmission tower or associated facility from giving a commercial or national television broadcaster or datacaster access to the tower, associated facility or site
- monitor new technology and service trends.

### Branch Support Section

The Branch Support Section is responsible for providing a range of administrative support services for the Planning Branch. The main services provided are:

- management of the Branch budget and provision of financial reporting service
- central liaison and coordination point for all enquiries and activities
- coordination of the Branch training activities
- accounts payable and receivable functions
- purchasing
- building management
- asset management
- records management
- provision of advice on personnel matters, and
- other general office services including mail services.

## Policy, Legal and Licensing Branch

The Policy, Legal and Licensing Branch comprises the Policy and Research Section, the Legal Section and the Licensing Section.

### Policy and Research Section

The responsibilities of the Policy and Research Section are to:

- assist in identifying and exploring regulatory policy issues to be addressed by the ABA
- provide policy advice on issues relating to the ABA's powers and functions
- conduct and commission research into community attitudes on issues relating to programs and other matters relating to the ABA's functions and powers
- develop additional criteria and clarify existing criteria for the purpose of distinguishing between categories of broadcasting services
- inform the ABA and advise the Minister on technological advances and service trends in the broadcasting industry.

### Legal Section

The responsibilities of the Legal Section are to:

- provide legal advice to the ABA on issues relating to its functions and powers
- conduct or supervise investigations and hearings undertaken by the ABA in the performance or exercise of its functions or powers
- coordinate the ABA's activities under the FoI Act
- coordinate responses to and liaise with the Commonwealth Ombudsman
- manage litigation in courts and tribunals involving the ABA
- refer to the Director of Public Prosecutions possible criminal offences under the Broadcasting Services Act and related legislation.

## Licensing Section

The responsibilities of the Licensing Section are to:

- design and administer price-based systems for the allocation of commercial radio and television licences
- administer price-based systems for the allocation of high-power open narrowcasting apparatus licences
- assess applications for community broadcasting licences, temporary community broadcasting licences, subscription television broadcasting licences, and datacasting licences
- conduct investigations or hearings that relate to the allocation of community broadcasting licences
- allocate or renew commercial and community broadcasting licences
- issue, suspend and cancel apparatus licences (under delegation from the Australian Communications Authority) which authorise the operation of transmitters for commercial, community and national broadcasting services, for broadcasting services provided under class licences, and for the retransmission of programs.

## Corporate Services Branch

The Corporate Services Branch comprises the Human Resources Section, the Information Management Section, the IT and Facilities Management Section, the Resource Management and Planning Section and Secretariat. The combined responsibilities of the sections of the Corporate Services Branch are to:

- administer all matters to do with human resources and financial, accommodation and office services
- liaise with Commonwealth Agencies – including the Public Service Commission, the Department of Employment and Workplace Relations, the Australian National Audit Office and the Department

of Finance and Administration – on matters relating to financial and human resource management

- coordinate the ABA's corporate and business planning processes
- coordinate the implementation of APS-wide and other corporate initiatives throughout the ABA
- develop and maintain the ABA's records management system
- produce and market publications, and inform the public of the functions, activities and decisions of the ABA
- develop and maintain the ABA's web site
- develop and maintain a library service for ABA members and staff and for members of the public
- promote the use of information technology to enhance the efficiency and effectiveness of the ABA's operations
- prepare the Portfolio Budget Statements, coordinate the ABA's budget and prepare financial statements, estimates and related material
- maintain the ABA's accounting system, purchasing and asset control, and internal audit and review
- manage corporate contracts, including those for information technology, travel, cab charge and credit cards
- provide secretariat support to the ABA, including organising its regular meetings, preparing formal minutes and maintaining the records of its decisions
- coordinate briefs and responses to questions arising from Parliamentary processes.

## Arrangements for outside participation

The ABA provides a range of opportunities for persons or bodies outside the Commonwealth administration to participate in policy formulation and the administration of the Act.

## Public consultation

Under the Act the ABA is required to undertake public consultation before exercising its powers in the following activities:

- determining and varying planning priorities, preparing or varying frequency allotment plans, preparing or varying licence area plans, and preparing digital channel plans
- formulating or varying the schemes dealing with the conversion of commercial and national television services to digital transmission
- determining, varying or revoking the standards for commercial broadcasting or datacasting services
- determining or varying industry standards for Internet content or Internet gambling matters.

The ABA also seeks public comment on a wide range of other matters, including investigations, applications for community radio broadcasting licences, and other regulatory proposals that affect the public.

When undertaking public consultation, the ABA employs a variety of means to inform the public that a particular matter is under consideration and that written comments are sought from interested persons. These include:

- placing advertisements in newspapers
- making documents about the matter under consideration available to the public on the ABA's web site and in other ways
- inviting the public to participate in hearings, public meetings or seminars.

In regard to its functions and powers, the ABA also seeks the views of the wider community by conducting or commissioning surveys of public opinion.

## Industry consultation

The ABA consults extensively with a wide range of industry bodies, service providers and other stakeholders about matters that will affect them or in which they have an interest. The Act



requires the ABA to consult with industry stakeholders in the following circumstances:

- when formulating and varying the schemes dealing with the conversion of commercial and national television services to digital transmission, the ABA must consult with commercial and national television broadcasters and the owners and operators of broadcasting transmission towers
- when proposing to impose, vary or revoke an additional condition on a licence, the ABA must give licensees a reasonable opportunity to make representations.

The ABA consults with industry stakeholders in a variety of ways, including informing stakeholders of its proposals, inviting written comments, organising meetings with stakeholders, and participating in hearings and public meetings.

### Categories of documents

The ABA maintains documents and other records of information in various forms including paper files, card indexes, microfiche and electronic files. Certain documents and information it is required that the ABA make available for inspection by the public. These include advice received and assumptions made by the ABA in performing its planning functions under the Act as well as other information that has to be maintained in registers.

### Registers

The ABA is required to maintain the following registers:

- Associated Newspaper Register\*
- register of licences granted under sections 38A or 38B of the Act\*
- register of notifications relating to controllers of commercial broadcasting licences and datacasting transmitter licences, directors of commercial broadcasting licensees and datacasting transmitter licensees, changes of control and interests of controllers of commercial broadcasting licences in associated newspapers
- register of approvals given under section 67 of the Act for temporary breaches of the control provisions
- register of extensions of time given under section 68 of the Act for taking action to remedy temporary breaches of the control provisions
- register of notices given under section 70 of the Act directing a person to take action to cease breaching the control provisions
- register of extensions of time given under section 71 of the Act for compliance with a section 70 notice
- Large Circulation Newspapers Register
- register of nominated broadcaster declarations for international broadcasting licences\*
- register of codes of practice for each section of the broadcasting industry
- register of codes of practice and industry standards for Internet content, any requests from the ABA to a body or association representing a particular section of the Internet industry to develop an industry code, and any notices given by the ABA to a participant in a particular section of the Internet industry to comply with an industry code\*
- register of datacasting licences issued by the ABA, any conditions imposed on datacasting licences or the variation or revocation of such conditions, any codes of practice relating to datacasting services, and any nominated datacaster declarations\*
- register of codes of practice and industry standards for Internet gambling matters, any requests from the ABA to a body or association representing Internet service providers to develop an industry code, and any notices given by the ABA to an Internet service provider to comply with an industry code\*

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\* Available on the Internet at [www.aba.gov.au](http://www.aba.gov.au)  
To inspect any of the other registers, please contact the ABA's Sydney office.

- register of implementation plans approved by the ABA under the *Commercial Television Conversion Scheme 1999* or the *National Television Conversion Scheme 1999*.\*

### Other categories of documents

In addition to registers, the following categories of documents are common throughout the agency:

- internal administration papers and records, including working drafts and records relating to human and financial resource management
- ministerial, interdepartmental and general correspondence and papers
- requests for legal advice, copies or notes of legal advice given, and other legal documents
- media releases
- copies of texts of speeches, discussion papers and other statements made by ABA members and staff
- reports of research conducted or commissioned by the ABA, and documents relating to the research
- documents relating to meetings (agendas, agenda papers and minutes)
- documents relating to investigations undertaken by the ABA, including reports of such investigations
- tender documents and contracts.

A separate list of categories of documents specific to each branch is set out below.

### Industry Performance and Review Branch

This branch maintains the following specific categories of documents:

- industry codes of practice and documents relating to the development and registration of the codes
- program standards and documents relating to the development and making of the standards

- complaints and reports of investigation of complaints
- documents relating to enforcement action taken by the ABA against service providers
- documents relating to community education programs about Internet content and Internet carriage services
- documents relating to the classification of programs for children
- documents relating to requests for the issue of a certificate that a telephone service is, or was, a telephone sex service
- documents containing financial information from commercial broadcasting licensees, and other documents relating to the collection of licence fees and penalties for unpaid licence fees
- applications for opinions on category of service, for opinions on control and for prior approval of a temporary breach of the control provisions of the Act, and related documents including the opinions given by the ABA
- forms and other documents containing information about the control provisions of the Act, and documents about compliance with the control provisions of the Act
- information from licensees and other documents concerning compliance with program standards and the provisions of the Act that relate to the Australian content of programs and programs for children
- documents relating to the anti-siphoning and anti-hoarding provisions of the Act and to their operation.

### Planning Branch

This branch maintains the following specific categories of documents:

- information on radio and television broadcasting stations
- planning priorities, frequency allotments plans, licence area plans and documents about the development of these priorities

and plans including submissions on draft licence area plans

- applications for the transmission of broadcasting services into another licence area, and documents relating to the assessment and approval of such applications
- documents about making broadcasting services band spectrum available for alternative uses
- technical planning guidelines and documents relating to the development of and compliance with these guidelines
- documents about the conversion of commercial and national television services to digital transmission, including the schemes, digital channel plans and implementation plans
- determinations of licence area populations and documents relating to the making of these determinations
- documents about new technology and service trends.

### **Policy, Legal and Licensing Branch**

This branch maintains the following specific categories of documents:

- documents about proposed legislation and legislative changes
- requests for access to documents under the *Freedom of Information Act 1982* and related documents
- requests for legal advice and records of legal advice given
- subpoenas directed to the ABA
- documents about litigation involving the ABA
- documents on policy advice and policy issues
- documents relating to research conducted or commissioned by the ABA
- price-based systems for allocating licences, and documents relating to the allocation of

commercial television and radio licences and open narrowcasting licences

- applications for community broadcasting licences, subscription television broadcasting licences and datacasting licences, and documents relating to the allocation of these licences
- applications for renewing commercial broadcasting and community broadcasting licences, and documents relating to these applications
- applications for apparatus licences under the Radiocommunications Act and other documents relating to apparatus licences for services operating in the broadcasting services bands including compliance with conditions.

### **Corporate Services Branch**

This branch maintains documents and information relating to:

- personnel and staffing matters in the ABA
- finance, purchasing, furniture and fittings, and equipment and accommodation
- appointment of members
- agenda papers and minutes of ABA meetings
- reports of inquiries conducted by the former Australian Broadcasting Tribunal
- records, reports and information papers on Australian and overseas broadcasting
- ABA publications, including research monographs, news releases and pamphlets
- reports on grant of licences under the *Broadcasting Services (Transitional Provisions and Consequential Amendments) Act 1992*.

### **FoI procedures and initial contact point**

In many cases, it may not be necessary to make a request under the FoI Act for documents or information held by the ABA. The information you are seeking may be available from the ABA for a fee or free of charge. First, check the ABA's

web site ([www.aba.gov.au](http://www.aba.gov.au)) for the information you are seeking. If you cannot find it, please contact the Manager, Media and Public Relations, in the Sydney office.

Requests under the FoI Act for access to documents in the possession of the ABA, as well as any enquiries relating to FoI requests, should be directed to:

The FoI Coordinator  
 Australian Broadcasting Authority  
 PO Box Q500  
 QUEEN VICTORIA BUILDING NSW 1230  
 Tel: (02) 9334 7700  
 Freecall: 1800 226 667  
 Fax: (02) 9334 7799  
 TTY: (02) 9334 7777  
 Email: [info@aba.gov.au](mailto:info@aba.gov.au)

Requests must be in writing and accompanied by an application fee of \$30 or a request that the fee be wholly or partly remitted.

Under the ABA's procedures for handling requests under the FoI Act, the FoI Coordinator may consult with the applicant in the following circumstances:

- to help the applicant identify more specifically the documents they have requested
- to give the applicant a reasonable opportunity for consultation before the ABA refuses a request on grounds of insufficient information (subsection 15(2) of the FoI Act) or if the request requires a substantial and unreasonable diversion of resources (subsection 24(1) of the FoI Act)
- to notify the applicant of the charges and the deposit, or to discuss a request by the applicant that the charges be reduced or not imposed.

Pursuant to arrangements approved by the Chairman of the ABA under section 23(1) of the FoI Act, members, the General Manager, Directors of the Branches and Section Managers are authorised to make primary decisions on applications for access to documents. Members, the General Manager and Directors of the

Branches are also authorised to make decisions on applications for internal review of primary FoI decisions made by the ABA.

### Facilities for access

The ABA maintains library facilities in the Sydney office where it is possible to examine documents available under the Broadcasting Services Act as well as documents to which access is granted under the FoI Act. Documents may also be examined in the Canberra office by prior arrangement.

The ABA's office in Sydney is at:

Level 15 Darling Park  
 201 Sussex Street  
 SYDNEY NSW 2000  
 Tel: 02 9334 7700  
 Fax: 02 9334 7799

The ABA's office in Canberra is at:

Magenta Building, Benjamin Offices  
 Chan Street,  
 BELCONNEN ACT 2617  
 Tel: (02) 6256 2800  
 Fax: (02) 6253 3277

### Freedom of information statistics

Information on the operation of the FoI Act in the ABA during 2002–03 is set out below.

Requests	2002–03
Requests carried over from previous year	2
Requests received	5
Granted in full	0
Granted in part	3
Refused	0
Transferred	0
Withdrawn or lapsed	2
Requests outstanding at the end of the year	2

### Review of decisions

In 2002–03, the ABA received one request for internal review. This request was not finalised at the conclusion of the reporting period.

### Time taken

The following table indicates the time taken to finalise requests for access. It takes into account extensions of time granted by the legislation in cases of third party consultations, and negotiations over the payment of fees and/or charges under the Act.

Time taken to respond (days)	2002-03
0-30	3
31-60	2
61-90	0
over 91	0
Total	5

### Fees and charges

The following table sets out for 2002-03 the total amount of application fees received by the ABA and the amount of charges paid by applicants to the ABA.

2002-03	\$
Application fees	180.00
Charges received	501.75
Total	681.75

### Costs of freedom of information

The ABA expended \$352 on external legal advice for FOI activities in the 2002-03 period.

## Appendix 2

### Financial and staffing resources summary

	1999–00 Actual \$'000	2001–02 Actual \$'000	2002–03 Budget \$'000	2002–03 Actual \$'000
<b>Salaries</b>	<b>8,784</b>	<b>9,380</b>	<b>8,690</b>	<b>8,459</b>
<b>Superannuation</b>	<b>988</b>	<b>999</b>	<b>1,215</b>	<b>1,167</b>
<b>Administrative Expenses</b>	<b>6,382</b>	<b>7,909</b>	<b>6,973</b>	<b>7,194</b>
<b>Capital Expenses</b>		<b>1,833</b>	<b>1,217</b>	<b>2,079</b>
Total Cash Expenditure	16,154	20,121	18,095	18,899
<b>Less Cash Receipts</b>	<b>(496)</b>	<b>(3,483)</b>	<b>(1,432)</b>	<b>(2,268)</b>
Sub total	15,658	16,638	16,663	16,631
Less Cash on Hand at beginning of financial year	(1,853)	(2,732)	(1,844)	(1,844)
Plus Cash on Hand at end of financial year	2,065	1,844	335	367
<b>TOTAL APPROPRIATIONS</b>	<b>15,870</b>	<b>15,750</b>	<b>15,154</b>	<b>15,154</b>
<b>TOTAL OUTLAYS</b>	<b>15,870</b>	<b>15,750</b>	<b>15,154</b>	<b>15,154</b>
<b>STAFFING</b>				
Staff years (ASL)	147.7	141.0	134.0	124.5

### Performance pay

The following amounts of performance pay were paid in the reporting period

<b>Classification</b>	<b>Amount</b>
Senior Executive Level 2	\$5 000
Senior Executive Level 1	\$25 260.27

# Staffing

## SYDNEY

Classification	ONGOING				NON-ONGOING				Total
	Full-time	Full-Time	Part-time	Part-time	Full-time	Full-time	Part-time	Part-time	
	Male	Female	Male	Female	Male	Female	Male	Female	
Members	2	1	5	1					9
SES Band 2	1								1
SES Band 1		3							3
EL2	5	7		2	2				16
EL2 Legal		1							1
EL2 Public Affairs	1								1
EL1	12	4		1				3	20
EL1 Legal		1			1				2
EL1 Public Affairs		2							2
EL1 Library		1							1
APS6	7	9		2	3	3			24
APS5		2		1		1			4
APS5 Library	1								1
APS4	1	4							5
APS3	1	7							8
APS2		1		1					2
<b>TOTAL</b>	<b>31</b>	<b>43</b>	<b>5</b>	<b>8</b>	<b>6</b>	<b>4</b>		<b>3</b>	<b>100</b>





## Appendix 3

### Australian content and children's television standards compliance 2002

Quota	Australian programs	Australian drama		Australian documentary	Australian children's C drama		Australian children's C programs	Children's C programs	Australian preschool P programs
run	all	first release		first release	first release	repeat	first release	all	all
measure	(percent: 6am —12mn)	(total annual score)		(total hours)	(total hours)	(total hours)	(total hours — incl. C drama)	(total hours all C programs)	(total hours)
minimum annual requirement	55%	hours	225 score	20 hrs	32 hrs	8 hrs	130 hrs	260 hrs	130 hrs
<b>Seven licensees (interim)</b>									
ATN Sydney	58.92	240.00	367.40	22.00	32.00	46.50	135.00	262.50	130.50
HSV Melbourne	60.37	241.00	369.40	26.00	32.00	47.00	135.00	263.50	130.50
BTQ Brisbane	59.97	241.00	369.40	26.00	32.00	49.50	135.00	262.50	130.50
SAS Adelaide	62.70	241.00	369.40	21.00	32.50	46.50	135.00	263.00	130.50
TVW Perth	60.36	240.00	367.40	22.00	32.00	47.00	134.50	264.00	130.50
<b>Nine licensees</b>									
TCN Sydney	59.17	106.50	232.20	22.00	32.00	59.00	130.50	264.00	130.50
GTV Melbourne	59.34	106.50	232.20	21.00	32.00	59.00	130.50	265.00	130.50
QTQ Brisbane	61.24	106.00	231.20	22.50	32.00	59.00	131.00	262.50	130.50
<b>Ten licensees</b>									
TEN Sydney	57.41	168.00	225.70	22.00	32.50	68.00	130.50	260.50	130.50
ATV Melbourne	57.95	168.00	225.70	22.00	32.50	68.00	130.50	260.50	130.50
TVQ Brisbane	57.64	168.00	225.70	22.00	32.50	68.00	130.50	260.50	130.50
ADS Adelaide	58.30	168.00	225.70	22.00	32.50	68.00	130.50	260.50	130.50
NEW Perth	58.34	168.00	225.70	22.00	32.50	68.00	130.50	260.50	130.50

The formula for calculating first release Australian drama programs is: score = format factor x duration of program (in hours).

The format factor for drama is:

3.2 for a feature film, telemovie, mini-series, or self-contained drama of less than 90 minutes' duration

2 for series/serial produced at the rate of one hour or less per week

1 for series/serial produced at the rate of more than one hour per week

**note:** The figures shown for the Seven Network licensees are interim figures only.

## C and P classified programs

Programs granted C or P classification in 2002–03

Program title	Style	Type	Origin	Class.	Applicant
<b>Children's – C</b>					
AT THE ZOO	live action	information	Australia	C	Southern Star Entertainment
DOWNLOAD (series 6)	live action	game show	Australia	C	Becker Entertainment
HOT SOURCE (series 1)	live action	magazine	Australia	C	Channel 9 Network
ISPY Ltd	live action	game show	Australia	C	Southern Star Endemol Pty
JACK HANNA'S ANIMAL ADVENTURES (series 2, episodes 2066 & 2067)	live action	information	USA	C	Seven Network Ltd
JACK HANNA'S ANIMAL ADVENTURES (series 3, episodes 2068–2079)	live action	information	USA	C	Seven Network Ltd
JACK HANNA'S ANIMAL ADVENTURES (series 4, episodes 2080–2216 & 2220)	live action	information	USA	C	Seven Network Ltd
THE BIG ARVO (series 7)	live action	information	Australia	C	Seven Network Ltd
THE BIG ARVO (series 8)	live action	information	Australia	C	Seven Network Ltd
THE BIG ARVO (series 9)	live action	magazine	Australia	C	Seven Network Ltd
THE BIG ARVO (series 10)	live action	magazine	Australia	C	Seven Network Ltd
THE BOOK OF POOH (series 1, episodes 14–26)	puppetry	drama	USA	C	Seven Network Ltd
TOTALLY WILD (series 12)	live action	magazine	Australia	C	Network Ten Pty Ltd
Y? (series 6) Ltd	live action	magazine	Australia	C	Southern Star Endemol Pty
Y? (series 7) Ltd	live action	magazine	Australia	C	Southern Star Endemol Pty
<b>Children's drama – CD</b>					
DON'T BLAME ME	live action	drama	Australia	CD	Southern Star Entertainment Pty Ltd
FAIRY TALE POLICE DEPARTMENT	animated	drama	Australia	CD	Yoram Gross EM TV
FERGUS MCPHAIL (episodes 1–13)	live action	drama	Australia	CD	Burberry Productions Pty Ltd
KANGAROO CREEK GANG (series 2)	animated	drama	Australia	CD	Southern Star Entertainment Pty Ltd
KETCHUP (series 1)	animated	drama	Australia	CD	Southern Star Sales
OCEAN STAR (series 1, episodes 7–13)	live action	drama	Australia	CD	BBHTV Pty Ltd
OCEAN STAR (series 1, episodes 1–6)	live action	drama	Australia	CD	BBHTV Pty Ltd
RODDY, THE ROOSTER WHO	puppetry	drama	Australia	CD	Burbank Animation Studios

Program title	Style	Type	Origin	Class.	Applicant
LOST HIS COCK-A-DOODLE-DOO SLEEPOVER CLUB	live action	drama	Australia	CD	Burberry Productions – Sleepover Club Pty Ltd
TABALUGA CHRISTMAS SPECIAL	animated	drama	Australia	CD	Yoram Gross Film Studio Pty Limited
THE INVISIBLE MOUSE	animated	drama	Australia	CD	Burbank Animation Studios Pty Ltd THE SHAPIES –
THE SEARCH FOR RUDOLPH	animated	drama	Australia	CD	Light Knights Productions Pty Ltd
THE SHAPIES (series 2, episodes 1–6)	animated	drama	Australia	CD	Light Knights Productions Pty Ltd
THE SHAPIES (series 2, episodes 7–13)	animated	drama	Australia	CD	Light Knights Productions Pty Ltd
WICKED SCIENCE	live action	drama	Australia	CD	Jonathan M Shiff Productions Pty Ltd
YAKKITY YAK	animated	drama	Australia	CD	Kapow Pictures
YAKKITY YAK (series 2)	animated	drama	Australia	CD	Kapow Pictures
YAKKITY YAK (series 3)	animated	drama	Australia	CD	kapow Pictures
YAKKITY YAK (series 4)	animated	drama	Australia	CD	Kapow Pictures
<b>Provisional – PRC and PRP</b>					
AL AND ME	live action	drama	Australia	PRC	BBHTV Pty Limited
ART ALIVE	live action / animated	drama	Australia	PRP	Yoram Gross EM TV
BAMBALOO	live action	variety	Australia	PRP	Yoram Gross EM TV
DEADLY	animated	drama	Australia	PRC	GMD
EARTH SQUAWK!	live action / puppetry	magazine	Australia	PRC	LJM Productions Pty Ltd
HOLLY'S HEROES	live action	drama	Australia	PRC	Westside Film & Television Pty Ltd
KANGAROO CREEK GANG (series 2)	animated	drama	Australia	PRC	Southern Star Entertainment Pty Ltd
LESTER C LEGGS	live action	drama	Australia	PRC	Jumpfront
LOCKIE LEONARD – HUMAN TORPEDO	live action	drama	Australia	PRC	RB Films Pty Ltd
SALLY MARSHALL IS NOT AN ALIEN	live action	drama	Australia	PRC	Infinity Pictures Pty Ltd
SEASIDE HOTEL	animated	drama	Australia	PRC	Yoram Gross EM TV
SNOBS	live action	drama	Australia	PRC	Southern Star Entertainment Pty Ltd
TABALUGA (series 3)	animated	drama	Australia	PRC	Yoram Gross EM TV
THE BOOGIE WOOGIES	live action action/animated	variety	Australia	PRP	Grande Musical Promotions
WHIRLWIND	live action	drama	Australia	PRC	BBHTV Pty Limited
<b>Preschool – P</b>					
BAMBALOO	live action	variety	Australia	P	Yoram Gross EM TV
HI-5 (series 5)	live action	information	Australia	P	Kids Like Us
PLAYHOUSE DISNEY	live action	variety	Australia	P	The Disney Channel Australia
PLAYHOUSE DISNEY (series 2)	live action	variety	Australia	P	The Disney Channel Australia

## Appendix 4

### Investigations completed in 2002–03: breach finding

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act breached
<b>COMMERCIAL TELEVISION</b>			
<b>New South Wales</b>			
ATN 7 Sydney	<i>Home and Away</i>	Promotion that depicted a bus rolling over, injured children being trapped, and the bus exploding, was too violent for the time it was shown, complaints handling.	Promotions in G – close-ups of wounded or dead bodies, low level threat or menace, special effects, complaints handling.
ATN 7 Sydney	<i>Today Tonight</i> – Neighbourhood Eyesore	Complaint through solicitor that a report about the complainant's home did not accurately or fairly represent viewpoints, invaded privacy and unfairly identified the complainant.	Privacy, failure to represent viewpoints fairly in current affairs.
ATN 7 Sydney	<i>Today Tonight</i> – Street Fight	Program and promotional material contained false and misleading information, was not fair and impartial, breached privacy provisions, complaints handling.	Invasion of privacy in current affairs, failure to retain tape required for legal proceedings, complaints handling.
TCN 9 Sydney	<i>60 Minutes</i> – Unholy War	Program about bombing of soap factory did not present factual material accurately or viewpoints fairly, complaints handling.	Complaints handling – substantive written response.
TCN 9 Sydney	<i>60 Minutes</i> – NRMA	Program about crisis in insurance industry failed to represent fairly the NRMA's viewpoint.	Failure to represent viewpoints fairly in current affairs.
<b>Victoria</b>			
ATV 10 Melbourne	<i>Law and Order</i> and <i>The Best of Beauty and the Beast</i>	Complaint that <i>Law and Order</i> was classified MA but advertised as M; and that an M program, <i>The Best of Beauty and the Beast</i> , was shown in a PG time slot, complaints handling.	Promotion in a PG time zone, display of classification symbols.

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act breached
ATV 10 Melbourne	Press advertising	Press ads for programs did not include classification symbols and consumer advice in a form the code requires, complaints handling.	Consumer advice in press advertising, classification symbols in press advertisements and program guides.
GTV 9 Melbourne	<i>A Current Affair</i> – youth chroming	Segment showed young people ‘chroming’ (inhaling substances from a plastic bag) and should have been preceded by a warning.	Unfair identification, exceptions for classification, exercise care in broadcasting current affairs programs in G.
GTV 9 Melbourne	<i>A Current Affair</i> – NT speaker’s chair	Promotion and program contained material not suitable for a G classification zone.	Care with news and current affairs in G.
HSV 7 Melbourne	<i>Today Tonight</i> – Internet infidelity	Concerned at accuracy and fairness of viewpoints represented in the segment and about invasion of privacy.	Privacy.
PRIME Regional Victoria	Titanic	Concerned about violence and depiction of suicide in a PG classified movie.	PG – adult themes.
<b>South Australia</b>			
ADS 10 Adelaide	<i>The Mummy</i>	Concerned about movie promotions broadcast in G viewing times/programs.	Promotions in G – violence.
ADS 10 Adelaide	<i>Usual Suspects</i>	Complainant considers the film was too violent for M classification.	M – violence.
NWS 9 Adelaide	<i>A Current Affair</i>	Images of naked men being abused during an item on bastardisation in the armed forces shown when children were likely to have been watching.	Warnings for distressing material in current affairs. Fair representation of viewpoints in current affairs.
SAS 7 Adelaide	<i>Today Tonight</i> – Neighbourhood Watch	Alleged segment did not present factual material accurately and misrepresented viewpoints.	
<b>Queensland</b>			
QTQ 9 Brisbane	<i>A Current Affair</i>	Complainant alleged that segment on her and her business was inaccurate, did not represent viewpoints fairly and invaded her privacy.	Accuracy and fair representation in current affairs.

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act breached
TVQ 10 Brisbane	<i>American Pie</i>	Complainant alleged that the promotion for the movie contained sexual references that were inappropriate for a G classification zone.	Promotions in G – sexual references.
TVQ 10 Brisbane	News	Complainant alleged film footage of her son and herself invaded their privacy.	Privacy.
<b>COMMERCIAL RADIO</b>			
<b>Queensland</b>			
4BC Brisbane	Graham Gould	Alleged that a caller to the program named the complainant as having an affair with a married man, complaints handling.	Privacy, complaints handling.
4TOO Townsville	<i>Steve Price Show</i>	Complainant alleged presenter made racially motivated jokes about Aboriginal people, complaints handling.	Complaints handling – substantive response to written complaints within 30 days.
<b>COMMUNITY RADIO (includes services licensed as temporary community radio services)</b>			
<b>Australian Capital Territory</b>			
2XX Canberra	<i>Words Apart</i>	Alleged program used obscene and offensive language.	Language – regard for likely audience, complaints handling.
<b>New South Wales</b>			
2LVR Parkes/Forbes	Sponsorship	Alleged that the programs <i>Over the Fence</i> and John Laws contained untagged advertisements and that nominated sponsors had no genuine commercial relationship with the licensee.	Broadcasting sponsorship announcements in excess of five minutes per hour.
2LVR Parkes/Forbes	Various	Complainant alleged that interviews with artists about their CDs amounted to advertisements and that a program taken directly from 2UE contained advertisements.	Broadcasting advertisements.

Call sign	Program/ advertise.nent/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act breached
2MCR Campbelltown	Management	Alleged breach of the Commercial Radio Codes of Practice (1996): lack of conflict resolution policy by licensee.	Failure to make a reasonable effort to resolve disputes and failure to seek alternative dispute resolution mechanisms.
2NBC Narwee	Macedonian language program	Advertisements were broadcast during program on behalf of local soccer club and program presenter derived income, not licensee.	Broadcasting advertisements.
2000 FM Sydney	Arabic program	Broadcasting of advertisements for insurance company AIA.	Broadcasting advertisements.
2000 FM Sydney	Arabic program	Broadcast of an advertisement for the Arabic music retailer Jukebox.	Broadcasting advertisements.
2000 FM Sydney	Arabic program	Alleged that a broadcast of interviews with singers and a competition for Ace Travel Services included advertisements.	Broadcasting advertisements.
2000 FM Sydney	Arabic pProgram	Competitions for a free concert and theatre tickets constituted advertisements.	Broadcasting an advertisement.
2000 FM Sydney	<i>Breakfast Program</i>	Interview with playwright was an advertisement for the play.	Broadcasting advertisements.
2PSR Port Stephens	Management	Disputed matters were not dealt with by licensee as required by the Commercial Radio Codes of Practice (1996) and licensee is not providing adequate community access/ participation.	Conflict resolution.
2RES Waverley	<i>Monica Geetmala</i>	Complaint that the licensee was broadcasting advertisements and that it was broadcasting sponsorship announcements for more than the five minutes per hour allowed.	Broadcasting advertisements.
West FM Blacktown (TCBL)	Music	Complaint about broadcast of a song containing offensive language, complaints handling.	Protection of children and language – consideration of likely audience.
<b>Victoria</b>			
3MDR Melbourne	Management	Alleged that licensee did not have rules to cover dispute handling, conflict resolution, or guidelines setting out the rights and responsibilities of volunteers.	Guidelines for volunteers' rights and written policy for conflict resolution.
3YYR Geelong	<i>Radio Real Estate</i>	Broadcasting advertisements in the program.	Broadcasting advertisements.

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act breached
<b>Queensland</b>			
Beach FM Caloundra (TCBL)	Sponsorship	Alleged station is broadcasting advertisements.	Broadcasting advertisements, and a special timing condition on its transmitter licence.
Beau-FM Beaudesert (TCBL)	<i>Keeping Up with the Times</i>	The program contained advertising for the local newspaper <i>The Beaudesert Times</i> .	Broadcasting advertisements.
4RR Charleville (TCBL)	Sponsorship	CRA alleged that the licensee played untagged advertisements, total ads more than five minutes per hour and played music similar to that of the local commercial radio station, 4VL.	Broadcasting advertisements.
<b>South Australia</b>			
5DDD Adelaide	Music request program	Complaint regarding offensive and insulting language used in songs and also about the Australian Prime Minister, complaints handling.	Complaints handling.
<b>Tasmania</b>			
Edge FM Hobart, Tasman FM Nubeena (TCBLs), 7RGY Huon	Sponsorship, <i>The Footy Show</i>	Alleged that community radio service 7RGY Huon and TCBL's Edge FM Hobart and Tasman FM Nubeena broadcast in excess of five minutes of sponsorship announcements during <i>The Footy Show</i> .	Broadcasting advertisements by Tasman FM and Edge FM, broadcasting sponsorship announcements in excess of five minutes per hour by 7RGY.
Edge FM Hobart (TCBL)	Sponsorship and general programming	Complained that the licensee was being influenced by sponsors, that it broadcast music with inappropriate lyrics and breached sponsorship guidelines.	Language – consideration of likely audience.
<b>Northern Territory</b>			
8MAB Borroloola	Political matter	Political matter was not tagged with the required particulars.	Record of political matter.
OPEN NARROWCASTING TELEVISION (Community TV trial)			
<b>New South Wales</b>			
Channel 31 Sydney	<i>Focus Talkshow</i>	Practitioners of Falun Gong alleged that the program instigated hatred towards the spiritual group, perpetuated hatred and vilified on grounds of religion, complaints handling.	Unfair presentation in current affairs and complaints handling.



Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act breached
Channel 31 Sydney	<i>Actively Radical</i>	Claimed segment on Israeli-Palestinian conflict was liable to incite hatred and gratuitous vilification of Jews, complaints handling.	Complaints handling.
<b>South Australia</b>			
Channel 31 Adelaide (ACE TV)	Management	ABA investigation into whether trial community television service was complying with condition on licence.	Provide a service for community and educational non-profit purposes.
<b>Victoria</b>			
Channel 31 Melbourne	<i>Man With The Golden Arm</i>	Complaint about drug use in PG, complaints handling.	Application of OFLC classification, scheduling for protection of children, complaints handling.
OPEN NARROWCASTING RADIO			
<b>Queensland</b>			
96.3 K-FM Kingaroy	All programs	High powered open narrowcaster is providing a service that does not satisfy the narrowcast criteria and is also being relayed to Nanango.	Providing a commercial radio service without a licence, failure to retain tape for required period when complaints received.
Toowoomba Country FM	All programs	Alleged narrowcast service is operating as a commercial service.	Providing a commercial radio service without a licence.
SBS TV			
<b>New South Wales</b>			
SBS TV	<i>SBS World News</i>	Inaccurate information presented by an interviewee in a news item on Palestine, complaints handling.	Complaints handling.
ABC RADIO			
<b>New South Wales</b>			
ABC Radio	AM	Alleged inaccuracies in report on massacre of Polish Jews by Polish peasants during WWII, complaints handling.	Complaints handling.

## Investigations completed in 2002–03: no breach finding

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act considered
<b>COMMERCIAL TELEVISION</b>			
<b>Australian Capital Territory</b>			
CTC 10 Canberra	<i>Beauty and the Beast</i>	Complainant alleged that a panelist advocated prostitution as a job, which was graphic and offensive.	Sex, nudity and adult themes in PG.
<b>New South Wales</b>			
NBN 9 Newcastle	General program content	Complaint that films and programs broadcast during prime time viewing did not include captioning.	Captioning standards, monitoring and advice about non-transmission.
TEN 10 Sydney	<i>The Secret Life of Us</i>	Program contained bad language and did not display the appropriate consumer advice.	Consumer advice.
<b>Victoria</b>			
ATV 10 Melbourne	<i>Charmed</i>	The promotion contained nudity unsuitable for broadcast during G time zone.	Visual depictions of nudity and innocuous verbal references to nudity during promotions in G time zone.
ATV 10 Melbourne	<i>The Secret Life of Us</i>	Complaint about drug use, sex and violence in an M classified program.	Violence, sex and nudity and drug references in M.
BCV / GLV Regional Victoria	<i>Footballers' Wives</i>	Alleged promotion contains sexual content unsuitable for screening during G time zone.	Promotions in G – sexual behaviour.
VTV 9 Ballarat	WIN News	Alleged inaccuracies in a news report concerning a court case that involved the complainant.	Accuracy and invasion of privacy in current affairs.
<b>Queensland</b>			
BTQ 7 Brisbane	<i>Ricki Lake</i>	Concern about verbal references to sexual activity in a PG classified program.	Sex and nudity and adult themes in PG.
QTQ 9 Brisbane	<i>Australia's Funniest Home Video Show</i>	Complained that depiction of breast nudity by host was inappropriate for a G classified program.	G – nudity.
QTQ 9 Brisbane	The Haunting (promotion)	Promotion for an M classified feature film contained disturbing images inappropriate for a G time zone.	Promotions in G – low level threat or menace, special effects.

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act considered
QTQ 9 Brisbane	Sunday – detention centre	Program contained inaccuracies and did not represent viewpoints fairly.	Accuracy and fair representation of viewpoints in current affairs.
<b>South Australia</b>			
SAS 7 Adelaide	Advertisements in children's programs	Alleged that advertisements for McDonald's Pop Up Dogs Happy Meal, Hungry Jack's Kids Club Meal, Wonka Oompa Candy and Mondo Lollipops contravened the Children's Television Standards.	Undue pressure on children in advertisements, unreasonable stimulation in premium offers.
SAS 7 Adelaide	<i>Today Tonight</i>	Alleged that the segment was unfair and improper and that his privacy was invaded.	Accuracy and presenting viewpoints fairly and invasion of privacy in current affairs
SAS 7 Adelaide	<i>Today Tonight</i>	Alleged that report on complainant's business practice was unfair and inaccurate and was an invasion of privacy.	Accuracy and presenting viewpoints fairly and invasion of privacy in current affairs.
<b>Western Australia</b>			
STW 9 Perth	<i>A Current Affair</i>	Complaint that Muslims seemed to be discriminated against during the segment about gang rapists in Sydney, complaints handling.	Portrayal of person or group in a negative light, complaints handling.
STW 9 Perth	<i>60 Minutes</i> – Bali Bombing Victims' Reunion	The promotion for <i>60 Minutes</i> did not present factual material accurately and represent viewpoints fairly.	Presenting facts accurately and representing featured viewpoints fairly in promotions for current affairs programs – portrayal of all aspects not required.
STW 9 Perth	<i>60 Minutes</i>	Program segment about gang rapists in Sydney discriminated against Australian Lebanese Muslims, complaints handling.	Portrayal of person or group in a negative light, complaints handling.
TVW 7 Perth	<i>Blue Heelers</i>	Closed captioning was not broadcast during programs.	Captioning standards.
<b>COMMERCIAL RADIO</b>			
<b>New South Wales</b>			
2GB and 2CH Sydney	Control of licences	ABA investigation of when and how change of control occurred.	Change in control must be notified within seven days.

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act considered
2DAY FM Sydney	<i>Hot30.com</i>	The segment 'Domestic Dispute' contained material that was offensive, misleading, homophobic and had an explicit sexual theme.	Hatred, vilification, simulate news with intent to mislead or alarm, contemporary standards of decency of likely audience, gratuitous language, scheduling explicit sexual themes after 9.30pm, appropriate warnings.
2GB Sydney	Jim Ball	Racist and religiously vilifying remarks were made by radio commentator about Arabic Muslims in Australia, complaints handling.	Hatred, vilification, complaints handling.
2GB Sydney	Jim Ball	Complained that the presenter's comment was inaccurate and vilified the Muslim community.	Vilification, accuracy in current affairs.
2UE Sydney	John Laws	Claimed that John Laws failed to make the disclosure announcement when he interviewed a Telstra spokesperson.	<i>Broadcasting Services (Commercial Radio Current Affairs Disclosure) Standard 2000.</i>
2UE Sydney	John Laws and Alan Jones	A number of programs broadcast racist comments about Muslims.	Hatred, vilification or discrimination.
2UE Sydney	Mike Carlton	Complainant was repeatedly vilified and had her name and address broadcast, complaints handling.	Vilification, standards of decency, invasion of privacy, complaints handling.
2UE Sydney	Steve Price	Complained that Steve Price's comments were offensive and bordering on inciting racial hatred.	Inciting hatred against any person or group on the basis of ethnicity or race.
<b>Victoria</b>			
3AW Melbourne	Stan Zemanek	Alleged that comments made in response to a joke about naked air hostesses preventing Muslim hijackers amounted to religious vilification.	Hatred, vilification or discrimination.
3AW Melbourne	Stan Zemanek	Alleged unacceptable language and vilification.	Vilification, gratuitous use of offensive language.
<b>South Australia</b>			
5AA Adelaide	Bob Francis	Language used in program was offensive.	Contemporary standards of decency, gratuitous use of offensive language.

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act considered
5DN Adelaide	<i>The Cordeaux Show</i>	Alleged breach of the ABA disclosure standards relating to commercial radio.	Broadcasting Services (Commercial Radio Current Affairs Disclosure) Standard 2000; Broadcasting Services (Commercial Radio Advertising) Standard 2000.
COMMUNITY RADIO (includes services licensed as temporary community radio services)			
<b>New South Wales</b>			
2MCR Campbelltown	Management	Complainant alleged licensee lacked a conflict resolution policy required by the Community Radio Codes of Practice (2002) when dealing with his issues.	Written conflict resolution policy in place.
2PSR Port Stephens	Management	Complaint that the licensee failed to continue to represent its community and prevented community involvement.	Represent community interest, community participation.
2PSR Port Stephens	Management	Complainant claimed licensee did not advise him of rights as volunteer and had also breached the code regarding the station's conflict resolution policy.	Discrimination policies, volunteer rights and written policy re conflict resolution.
2WOW Penrith	Management	Allegations that licensee was not encouraging community participation in the station's management.	Community participation in management.
2WOW Penrith	Management	Complaint that the licensee did not have a written policy and procedures.	Written policy and procedures for conflict resolution.
<b>Victoria</b>			
3WRB Melbourne	Vietnamese Language Program	Alleged that program includes advertising that exceeds five minutes per hour.	Broadcasting advertisements and broadcasting more than five minutes per hour of sponsorship announcements.
<b>Queensland</b>			
Beau-FM Beaudesert (TCBL)	<i>Keeping Up with the Times</i>	The program contained advertising for the local newspaper.	Broadcasting advertisements.

Call sign	Program/ advertisement/issue	Substance of complaint	Code/program standard/licence condition or section of the Broadcasting Services Act considered
OPEN NARROWCASTING TELEVISION (Community TV trial)			
<b>New South Wales, Victoria</b>			
Channel 31 Melbourne, Channel 31 Sydney	Renaissance TV programming	Complaint that the services are operating as commercial services.	Providing a commercial service without an appropriate licence.
OPEN NARROWCASTING RADIO			
<b>New South Wales</b>			
AIR FM Penrith	General program content	Complaint that licensee has not complied with a section 137 notice and is continuing to provide a community service without a licence.	Provision of narrowcast service by virtue of being locally focused programming and transmitted at power of one watt.
<b>South Australia</b>			
88 GOLD FM Mt Barker	General program content	Service at Mt Barker was providing a commercial service as program music mirrors two local commercial stations.	Provision of narrowcast service by virtue of provision of programs of limited appeal.
88 GOLD FM Gawler	General program content	Service at Gawler SA was providing a commercial service as program music mirrors two local commercial stations.	Provision of narrowcast service by virtue of provision of programs of limited appeal.
ABC TV			
ABC TV	<i>Billy Connolly's World Tour</i>	Complainant considered that the program contained coarse language in excess of its M classification.	M classification.
ABC TV	<i>Da Ali G Show</i>	Complainant alleged that the show depicted inappropriate sexual activity.	M classification.
ABC TV	<i>Lateline</i>	The program contained an inaccurate fact, viz. the number of people marching the Sydney Harbour Bridge in 2000, complaints handling.	Accuracy of factual content in current affairs, complaints handling.
ABC TV	<i>New Dimensions with George Negus</i>	Claim that the program contained false information, viz. it stated that genetically modified foods were adequately labelled, complaints handling.	Accuracy of factual content in current affairs, complaints handling.

<b>Call sign</b>	<b>Program/ advertisement/issue</b>	<b>Substance of complaint</b>	<b>Code/program standard/licence condition or section of the Broadcasting Services Act considered</b>
ABC TV	<i>News</i>	The news segment invaded the privacy of a family member of the man convicted of the Childers Backpacker Hostel fire.	Invasion of privacy.
ABC TV	<i>Play School</i>	Program contained a depiction of nude women (art work – La Danse by Matisse) which was inappropriate for a children's program.	Children's programs, G classification.
SBS TV			
SBS TV	<i>Dateline</i>	Complaint regarding accuracy and fairness in SBS program dealing with the 1915 Armenian genocide, complaints handling.	Current affairs material accurate, fair, objective and balanced over time, complaints handling.
SBS TV	<i>Numbered</i>	M classified film contained blasphemous subtitles.	Language and diversity, self identification, M classification, consumer advice.
SBS TV	<i>SBS World News</i>	Complaint alleged unbalanced reporting on Middle East issues in a program relating to water shortage caused by current drought in the Middle East.	Objectivity and balance over time in news and current affairs.
SBS TV	<i>Western</i>	Inappropriate use of coarse language.	Religious sensitivity, language in M.
SBS TV	<i>World News</i>	News segment about a Jenin refugee camp was biased, inaccurate and emotive, complaints handling.	Prejudice, racism or discrimination, accuracy and balanced reporting, complaints handling.
ABC RADIO			
ABC Radio National	News	Report of Palestinian conflict omitted key facts and consequently was inaccurate, racist and anti-Semitic.	Discrimination and accuracy of factual content, impartiality and balance in news presentation.
ABC Regional Victoria	Complaints handling	Alleged that the ABC has declared him to be vexatious.	Complaints handling.

# Summaries of breaches found in investigations

## Commercial television

### Licence conditions, Children's Television Standards, or code: Commercial Television Industry Code of Practice

#### ADS 10 Adelaide

##### Program: *The Usual Suspects*

##### Complaint: Violence in an M classified program

The ABA found the licensee breached clause 2.15.1 of the Commercial Television Industry Code of Practice in its broadcast of the movie *The Usual Suspects* on 9 December 2001. The movie was classified M and broadcast during the M time zone.

Clause 2.15.1, which relates to violence in M classified programs, states:

Violence. May be realistically shown only if it is not frequent or of high impact, and is justified by the story line or program context. Violence should not be presented as desirable in its own right. Any visual depiction of or verbal reference to violence occurring in a sexual context must be infrequent and restrained, and strictly justified by the storyline or program context.

The ABA considered that the movie contained one scene with violent depictions that exceeded the M classification requirements. The scene occurred at approximately 58 minutes and it depicted the implied rape of a woman by an assailant and the murder of her and her two children by her husband, who purportedly did not want his family to live with the shame of what had happened. The ABA considered the nature of the violent activity depicted and the manner of filming (including intercutting between narrator and depictions of violent action, and the use of sound effects such as the

accentuated sound of the woman screaming and dramatic music) meant the scene was high in impact and could not be accommodated within the M classification category.

The ABA found the licensee to be in breach of clause 2.15.1 of the code. The licensee undertook to take the decision into account in subsequent broadcasts of the movie.

#### ADS 10 Adelaide

##### Program: *The Mummy* program promotions

##### Complaint: Violence in program promotions in G and PG viewing time

In November 2002 the ABA received an unresolved complaint concerning the content of program promotions for the feature film *'The Mummy'*, broadcast by ADS 10 during G classification zones on 10 and 13 October 2002 and during PG classification zones on 9, 12 and 13 October 2002. The promotions depict mummies in pursuit of human characters, and human characters attempting to destroy the mummies with weapons, and this includes a visual of a male implicitly shooting with hand-held guns at an approaching mummy.

The complainant contended that the promotions showed the use of guns against mummies, that there was more than a very low sense of threat and menace, and that the depiction of mummies constituted more than a mild horror theme.

The ABA determined that ADS 10 breached clause 3.8 of the code for a depiction of violence, use of guns and level of threat that exceeded the requirements for program promotions in G viewing time.

The ABA determined that the licensee complied with the PG provisions at clause 3.9 of the code.

The licensee has indicated that it will take the ABA's findings on this matter into account and reinforce the G requirements of the code in



relation to program promotions in order to prevent future similar breaches.

#### **ATN 7 Sydney**

##### **Program: Today Tonight**

##### **Complaint: Privacy and complaints handling**

The ABA received a complaint concerning the broadcast by ATN 7 of the segment 'Street Fight' on *Today Tonight* on 28 November 2001 and concerning the promotions for the program on the preceding few days.

The complainant alleged that the broadcast was not accurate, fair or impartial; was grossly defamatory; and was an invasion of privacy. She claimed to have received no response to her letters to the station.

The ABA is of the view that the licensee:

- breached clause 4.3.5 of the code by using material relating to a person's personal or private affairs and invading an individual's privacy with no identifiable public interest reason for the material to be broadcast;
- breached clause 7.9 of the code in regard to complaints handling; and
- breached the licence condition at clause 5 of Schedule 2 to the Broadcasting Services Act by failing to retain a copy of matters broadcast for three months after receiving advice of possible legal proceedings relating to the matters broadcast.

The licensee has taken appropriate steps to ensure that future breaches of clause 5 of Schedule 2 to the Act will not occur and has raised the matter of complaints handling procedures in relation to legal proceedings in the process of the code review, which is currently being undertaken. Due to the licensee's history of good compliance with the code, no further action was taken by the ABA.

#### **ATN 7 Sydney**

##### **Program: Today Tonight**

##### **Complaint: Accuracy, fairness, privacy and unfair identification of a person in news and current affairs**

The ABA received an unresolved complaint from the complainant's legal representative

regarding the segment 'Neighbourhood Eyesore' during the *Today Tonight* program broadcast by ATN 7 on 20 September 2002.

The complainant alleged that the report held her up to public ridicule and contempt and that it breached sections of the code in that:

- certain factual material in the broadcast was inaccurate and did not accurately or fairly represent viewpoints (clause 4.3.1)
- it used material relating to her personal or private affairs and invaded her privacy (clause 4.3.5) and
- it unfairly identified her (amongst other individuals) when commenting on the behaviour of a group of persons (clause 4.3.7).

The ABA determined that Channel Seven Sydney Pty Limited, the licensee of ATN 7, had:

- breached clause 4.3.5 of the code by using material that invaded the complainant's privacy without an identifiable public interest reason
- breached subclause 4.3.1 of the code by not representing the complainant's viewpoint fairly and
- did not breach subclause 4.3.7 of the code, because it did not unfairly identify a single person when commenting on the behaviour of a group of persons.

The ABA notes the following action the licensee will undertake once the investigation has been finalised:

- to provide key personnel in news and current affairs with a copy of the decision together with an explanation of it and
- to give directions to ensure that future programs are consistent with the ABA's findings in relation to this matter.

The licensee also advised that future training will be given to news and current affairs staff in relation to the issue of privacy, which is being examined in the current review of the code.

### **ATN 7 Sydney**

#### **Program: Home and Away promotion**

#### **Complaint: Violence during G viewing zone**

The ABA received a complaint about a promotion for *Home and Away* broadcast on 16 March 2002 in G viewing time. The promotion depicted a bus accident, with children trapped in the bus, then the bus exploding. The complainant alleged that the promotion was too violent for G viewing time and that the licensee had failed to respond to the original complaint.

The ABA found the licensee breached the requirements for promotions shown in G viewing time at clause 3.8 of the code by:

- broadcasting material that depicted close up vision of dead or wounded bodies (failing to comply with clause 3.8.5)
- broadcasting material that contained more than a very low sense of threat or menace (failing to comply with clause 3.8.7) and
- not taking care to minimise distress to children when special effects and camera work were used to create an atmosphere of tension or fear (failing to comply with clause 2.11.8).

The licensee also breached clause 7.10 of the code by not providing a response to a complaint within 30 working days of receiving the complaint.

The licensee admitted breaching the requirements of the code by broadcasting material in excess of the level required in the G time zone and by failing to respond to the complainant within the time limits imposed by the code. This was the first breach of G program promotion provisions by this licensee. The ABA took no further action but determined to monitor the licensee's future compliance with this section of the code. The licensee also amended its procedures to ensure that in future it responds to all complaints within the time limits set by the code.

### **ATV 10 Melbourne/Geelong**

#### **Program: Press advertisement**

#### **Complaint: Failure to ensure clearly visible classification symbols and consumer advice in press advertising**

On 25 February 2002, the ABA received a written complaint in relation to an advertisement for ATV 10 programs published in the Melbourne *Sunday Age* newspaper on 8 October 2000. The complainant alleged that the classification symbols which appeared in the press advertisement for the programs *Just Shoot Me*, *Becker* and *The Jackal* were not clearly visible and that there was no consumer advice for the M classified movie *The Jackal*.

The ABA determined that that the licensee of ATV 10:

- breached clauses 2.24 of the code by failing to ensure clearly visible classification symbols for the programs *Just Shoot Me* and *Becker* and the movie *The Jackal* and
- breached clause 2.28 of the code by its failure to ensure clearly visible consumer advice for *The Jackal* in the press advertisement in question.

The licensee advised the ABA that it had reinforced with its advertising agency the need to include clearly visible classification symbols and consumer advice where appropriate. A recent *Sunday Age* press advertisement for ATV 10 programs was provided to the ABA to demonstrate the effect of the action taken. In light of the measures taken and the fact that this was the first time ATV 10 had breached this section of the code, the ABA took no further action.

### **ATV 10 Melbourne/Geelong**

#### **Programs: Law and Order, The Best of Beauty and the Beast**

#### **Complaint: Use of prescribed classification symbols, material broadcast in PG, complaints handling**

The ABA received a written complaint on 19 March 2003 concerning classification issues against the programs *Law and Order*, broadcast on 16 December 2002, and *The Best of Beauty and*

*the Beast*, broadcast on 27 December 2002. The complainant did not receive a written response from the licensee to his letter of complaint.

The ABA determined that Network Ten Melbourne Pty Ltd, the licensee of ATV 10, had:

- breached clause 2.23.1 of the code by presenting an inappropriate classification, in this case an MA notification, prior to the broadcast of an M program (*Law and Order*)
- breached clause 2.14.1 of the code by broadcasting M classified material (*The Best of Beauty and the Beast*) in a PG timeslot
- did not breach clause 2.23.3 of the code by promoting the 16 December 2002 episode of *Law and Order* as M classified and
- in relation to complaints handling, did not breach clauses 7.7 or 7.10 of the code.

The licensee advised the ABA that, in response to the issues raised by this complaint, station management has met and has put in place an extra checking procedure to ensure that no M programs are scheduled inadvertently.

It was further noted that in September 2003 the network is due to implement a new version of its Integrated Broadcast Management System and that this will provide a further technical means of identifying scheduling errors that involve a program with a classification not permitted by the designated timeslot.

#### **CBN Prime Canberra**

##### **Program: Titanic**

##### **Complaint: PG classification provisions**

On October 2002 the ABA received a written complaint concerning depictions of violence and suicide in the film *Titanic*, broadcast by CBN on 30 June 2002.

The ABA determined that the licensee breached clause 2.13.6 of the code by broadcasting material that was in excess of the PG classification for adult themes. The code requires that material classified PG for adult themes must be 'carefully handled and mild in impact'. The ABA found that while the material was carefully handled, scenes towards the conclusion of the film showing the chaos and

panic associated with the final break up of the ship, including dead bodies floating in the water, did not meet the test of 'mild in impact'.

CBN acknowledged that a breach of the classification requirements had occurred, but stated that as a regional broadcaster receiving programming from Network Seven by a network feed (as was the case in its broadcast of the film *Titanic*), it had no control or knowledge of the Network Seven classifiers' edits to a particular program.

The ABA did not accept this view, noting that it is the responsibility of each licensee to comply with the requirements of the code regardless of where or how it chooses to obtain its programming.

CBN stated that it would in future ensure that where there is a reclassification of a program by the Network Seven, it will seek to determine, where possible and where there is sufficient time before telecast, what effects the edits have had on the program's compliance with the code. CBN stated that, in order to ensure compliance, it would take appropriate steps to consult Network Seven prior to broadcasting edited and reclassified programs.

#### **GTV 9 Melbourne**

##### **Program: A Current Affair**

##### **Complaint: Lack of care in selection of material broadcast, no warnings provided, invasion of privacy, unfair identification of individuals**

The ABA received two complaints regarding an edition of the program *A Current Affair* broadcast by GTV 9 Melbourne on 1 October 2001. Both complaints referred to a segment that dealt with the practice known as 'chroming', which involves inhaling aerosol spray from a plastic bag. The first complainant stated that the segment served to promote the practice, that certain scenes should have been edited out, and that a warning preceding the segment should have been given. The second complainant alleged that the segment breached the privacy clause of the code.

The ABA determined that the licensee of GTV 9:

- breached clause 2.3.1 of the code in that it did not exercise care in selecting material for broadcast having regard to the likely audience of the program and to any identifiable public interest reason for presenting the program material
- breached clause 2.7.1 of the code in that it did not exercise care in the selection and broadcast of all material and
- breached clause 4.3.7 of the code in that it unfairly identified a single person when commenting on the behaviour of a group of persons.

The Nine Network informed the ABA that each of the decisions would be reviewed with the executive producer of *A Current Affair* and the Supervising Producer responsible for preparing the story, and that the story and the ABA's findings would then be the subject of a memo to relevant program staff .

The ABA noted that this was the second time in less than 12 months that it had made a finding that the licensee of GTV 9 had breached clause 4.3.7 of the code. However, because the first breach finding was made after the chroming segment was broadcast, the ABA decided not to take any further action at this stage but informed the Nine Network that it would be closely monitoring the licensee's future compliance with clause 4.3.7.

#### **GTV 9 Melbourne**

##### **Program: A Current Affair**

##### **Complaint: Lack of care in selection of material broadcast, restrictions in promotions in G viewing time, complaints handling**

The ABA received a complaint regarding a segment of the program *A Current Affair* broadcast by GTV 9 Melbourne on 18 March 2002 that contained explicit and repeated references to a couple having sex in the Speaker's chair of the Northern Territory Parliament. The complainant also claimed that the licensee did not respond to her written complaint.

The ABA determined that the licensee of GTV 9 breached clause 2.7.1 of the code in that it did not exercise care in selecting material for broadcast having regard to the likely audience of the program and to any identifiable public interest reason for presenting the program material. In relation to complaints handling, the ABA determined that, on the evidence before it, it was probable that the licensee did not receive the letter of complaint.

The Nine Network informed the ABA that its findings would be used in future code training and that the executive producer of *A Current Affair* would provide a note to all relevant staff concerning the requirements of clause 2.7.1 of the code, particularly in relation to the handling of issues which contain sexual references.

In view of the licensee's stated intentions, the ABA proposed to take no further action other than to monitor the licensee's compliance with the code provisions, including those related to complaints handling.

#### **HSV 7 Melbourne**

##### **Program: Today Tonight**

##### **Complaint: Privacy in current affairs broadcasts**

On 16 January 2003 the the ABA received a written complaint concerning the broadcast of the segment 'Internet Infidelity' on the current affairs program *Today Tonight*. The complainant was previously the subject of an article 'Waiting for Mummy' in the New Zealand edition of *That's Life* magazine (the magazine originates in Australia); and the New Zealand Press Council recently upheld the complainant's claim that the magazine article breached the complainant's privacy).\*

The complainant alleged that in broadcasting the program segment the licensee breached clause 4.3.5 (invasion of privacy) and clause 4.3.1 (failing to present factual material accurately and represent viewpoints fairly).

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\* The ABA notes the licensee's advice that at the time the segment was broadcast it had no knowledge of the complaint against *That's Life* magazine or of the New Zealand Press Council Ruling.

The ABA determined that Channel Seven Melbourne Pty Ltd, the licensee of HSV 7, had:

- breached clause 4.3.5 of the code and
- did not breach clause 4.3.1.

The licensee has advised that it intends to provide a copy of the ABA's decision to key personnel in news and current affairs along with an explanation of the decision and directions to ensure that future programs are consistent with the ABA's determination.

### **NWS 9 Adelaide**

#### **Program: A Current Affair**

#### **Complaint: Classification of material, broadcasting of material, adequate warnings**

The ABA received a complaint about a story concerning sexual and other abuse in the defence forces in the program *A Current Affair* broadcast by NWS 9 in Adelaide. The complainant alleged that the licensee broadcast images that were unsuitable for the time of broadcast (between 6.30 pm and 7 pm) and was concerned about the absence of adequate warning prior to the broadcast of the material.

The ABA determined that the licensee failed to provide adequate warning prior to material likely to seriously distress or seriously offend a substantial number of viewers.

The licensee advised the ABA that the findings had been reviewed by the executive producer of *A Current Affair* and that the use of 'pixellating' techniques (to conceal parts of problematic images) are currently being reviewed.

In view of the steps taken by the licensee, the ABA will take no further action.

### **QTQ 9 Brisbane**

#### **Program: A Current Affair**

#### **Complaint: Failing to present factual material accurately and representing viewpoints fairly in a program and a program promotion, invasion of privacy**

The ABA received a complaint concerning a segment of *A Current Affair* broadcast by QTQ 9 Brisbane on 7 October 2002. The segment featured the complainant, a cosmetic surgery broker.

The complainant alleged that the segment breached:

- clause 4.3.1 (failing to present factual material accurately and represent viewpoints fairly)
- clause 4.3.5 (invasion of privacy) by trespassing on private property and
- clause 4.5 (in broadcasting a promotion for a news or current affairs program, failed to present factual material accurately and represent viewpoints fairly).

The ABA determined that the licensee:

- breached clause 4.3.1 of the code by presenting factual material inaccurately and in its representation of the complainant's viewpoints; and
- did not breach clauses 4.3.5 and 4.5.

In view of the ABA's findings the licensee proposes to take the following steps:

- to review the decision with staff involved in presenting the story
- to discuss the treatment of file footage with the program's executive producer so as to avoid the implication that those depicted have willingly participated in the story and
- to use the matter as an example for training staff about the code.

The ABA proposes no further action in relation to this matter but will monitor the licensee's compliance.

### **SAS 7 Adelaide**

#### **Program: Today Tonight**

#### **Complaint: Unfair representation of viewpoint**

The ABA received a complaint concerning a segment of the program *Today Tonight* broadcast on 11 February 2002 by SAS 7. The complaint alleged that the program contained factual inaccuracies and that it did not represent viewpoints fairly.

The ABA took into consideration clause 4.3.1 of the code, which requires licensees when broadcasting news and current affairs programs to:

Present factual material accurately and represent viewpoints fairly, having regard to the circumstances at the time of preparing and broadcasting the program.

The ABA found that the licensee:

- breached clause 4.3.1 of the code in relation to the provision requiring fair representation of viewpoints; and
- did not breach clause 4.3.1 in relation to the accuracy requirements of the clause.

Although acknowledging that there had been a recent breach of this clause by the licensee, the ABA noted that it had related to the accuracy provisions of the clause as opposed to the fairness provisions. No further action was taken by the ABA. It will, however, closely monitor the licensee's compliance with this clause of the code.

#### **TCN 9 Sydney**

##### **Program: 60 Minutes**

##### **Complaint: Unfairly identifying a business when commenting on the behaviour of a group of businesses, failing to present factual material accurately and representing viewpoints fairly**

The ABA received a complaint concerning the segment 'Risky Business/Public Liability' on *60 Minutes* broadcast by TCN 9 Sydney on 16 June 2002.

The complainant alleged that the segment:

- unfairly identified the complainant when the report was commenting on the behaviour of the insurance industry generally
- failed to present factual material accurately and represent viewpoints fairly and
- failed to make reasonable efforts to correct significant errors of fact at the earliest opportunity.

The ABA determined that the licensee:

- breached clause 4.3.1 of the code by failing to represent viewpoints fairly
- did not breach code clause 4.3.7 when it identified the complainant and

- did not breach the code by presenting factual material inaccurately in its broadcast of the segment.

The ABA proposes no further action in relation to this matter but will monitor the licensee's compliance.

#### **TCN 9 Sydney**

##### **Program: 60 Minutes**

##### **Complaint: Accuracy and complaints handling**

The ABA received a letter of complaint that alleged a segment of the current affairs program *60 Minutes* entitled 'Unholy War' broadcast on TCN 9 on 5 May 2002 did not present material accurately. The complainant also alleged that the licensee had not provided an adequate response to his letter of complaint.

The ABA determined that:

- on balance, the licensee did not breach the code in relation to accuracy and fair representation of views in the program segment and
- the licensee did breach clause 7.9 of the code when it failed provide a substantive written response to the complaint.

The licensee advised that as a result of this complaint, it had given a copy of the ABA's report to staff responsible for responding to the complainant in this instance.

The licensee has breached clause 7.9 of the code twice in the preceding 18 months. Consequently the ABA is concerned at the level of repeated complaints handling breaches and is expecting to address the issue in the current review of the code so as to improve compliance with complaints handling.

#### **TVQ 10 Brisbane**

##### **Program: American Pie program promotion**

##### **Complaint: Sexual references in G viewing time**

In January 2003 the ABA received a written complaint concerning the content of a program promotion for the film *American Pie* broadcast by TVQ during G classification zones on 7 and 8 November 2002. The promotion concerned a group of teenage boys who are curious about sex. The complainant contended that the

promotion contained sexually suggestive imagery and dialogue which were not appropriate for children or teenagers.

The ABA determined that TVQ breached clause 3.8 of the code for broadcasting material that amounted to references to sexual behaviour that were not of the 'most innocuous kind' nor 'very mild in impact'.

The licensee indicated that it will take the ABA's findings on this matter into account and reinforce the G requirements of the code in relation to program promotions in order to prevent similar breaches in the future. The ABA will, however, monitor the licensee's and network's compliance with this code provision and may consider further action should subsequent breaches occur.

#### **TVQ 10 Brisbane**

**Program: Channel 10 News**

**Complaint: Privacy in news broadcasts**

The ABA received a written complaint about a segment broadcast on the *Channel 10 News* concerning film footage that allegedly invaded the complainant's privacy and that of her 13-year-old son.

The ABA determined that Network Ten Brisbane Pty Ltd, the licensee of TVQ 10, had:

- breached sub-clause 4.3.5 of the code when it broadcast footage of the complainant's son in the front yard of the complainant's home, because it used material relating to his personal or private affairs, which invaded his privacy in circumstances where there was no identifiable public interest reason for the material to be broadcast and
- had not breached sub-clause 4.3.5 of the code regarding footage the licensee broadcast of the complainant walking in the front yard of her home.

The ABA notes that the licensee, in response to the ABA's decision, has advised that it intends to hold a meeting with TVQ 10's reporters and news producers to discuss the ABA's findings and its implications for reporting stories involving children, its aim being to prevent a recurrence of this breach in future news stories.

## **Commercial radio**

### **Licence conditions, or code: Commercial Radio Codes of Practice**

#### **4BC Brisbane**

**Program: Graham Gould**

**Complaint: Privacy in current affairs, complaints handling**

On 3 March 2003 the ABA received a written complaint concerning the broadcast of a segment during a talkback program on commercial radio service 4BC. The complainant alleged that the licensee, during the broadcast of a talkback radio program, breached her privacy and failed to address her complaint adequately.

The ABA determined that Radio 4BC Brisbane Pty Ltd, the licensee of 4BC:

- breached Commercial Radio Codes of Practice clause 2.2(e) in relation to privacy and
- breached clause 5.9 of the codes in its failure to make every effort to resolve the complaint.

Following its findings the ABA notes that the licensee has:

- reviewed its use of the dump button during broadcasts
- reviewed its staff training
- provided additional training to the presenter in question and
- brought the complaint in question to the attention of its staff.

#### **4TOO FM Townsville**

**Program: Steve Price Show**

**Complaint: Offensive and racially motivated remark and complaints handling**

The ABA received a letter of complaint about an alleged statement made on air by presenter Steve Price in regard to a holiday business name on 4TOO FM during an outside-broadcast on 16 February 2002. The complainant claimed that the presenter's statement was a joke racially motivated and offensive to the Aboriginal

people. The complainant also claimed that 4TOO FM failed to respond to her letter of complaint to the station.

The licensee did not retain a copy of the tape of the program because the ABA's request for a copy was more than 60 days after the broadcast date (the period of retention required under the Broadcasting Services Act). The licensee believed that the comment was made off-air and was overheard by the complainant whom it believed was personally present when the broadcast took place. It argued that the code was applicable only to matters broadcast.

The ABA noted that where there is no independent evidence to corroborate the claims of either party, it is not possible for the ABA to prefer one version of events to another. If indeed the matter was broadcast, the ABA found that the comments made were not likely to incite listeners to feel hatred or to vilify an Aboriginal person to the degree required by the code. On the evidence before it, the ABA could not conclude that the licensee breached clause 1.3(e) of the code.

The ABA determined that, whether or not the matter complained of was actually broadcast, the licensee failed to use its best endeavours to respond substantively in writing within 30 days of receiving the complaint (which the ABA viewed as a valid complaint). The ABA found that the licensee was in breach of clause 5.6 of the code.

The licensee stated that it has in place a compliance program to inform staff about the provisions of, and compliance with, the code. It has decided to provide further training on code compliance, particularly in relation to complaints handling. Due to the circumstances surrounding the broadcast in question and the action taken by the licensee of 4TOO FM, the ABA did not pursue the matter.

## Community television

### Licence conditions, or code: Television Open Narrowcasting Codes of Practice\*

#### **ACE TV Adelaide**

#### **ABA investigation: Provide a service for community and educational non-profit purposes**

The ABA investigated whether Adelaide Community and Educational Television Inc. (ACE TV) had complied with the condition on its apparatus licence requiring it to provide its service for community and educational non-profit purposes.

The ABA found that ACE TV had very few members, and had, for a lengthy period, not accepted new members. Although ACE TV was engaging the services of volunteers, the ABA was not convinced that it was involving members of the community satisfactorily or providing its volunteers with the opportunity to participate in management or decision-making activities. ACE TV's governance arrangements appeared to be so inadequate and inappropriate that the ABA was not satisfied that the organisation was operating for community purposes. Five months earlier ACE TV had ceased broadcasting due to equipment damage; and the ABA was not convinced it would be able to recommence, and was of the view that it was no longer providing a service for community purposes.

The ABA, having found that ACE TV had breached the condition on its apparatus licence, cancelled the licence. The ABA also revoked its determination making spectrum available for the community television trial in Adelaide. ACE TV asked the Australian Communications

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\* The community television trial continued during the reporting period. As the services are licensed as open narrowcasters, they operate under the ASTRA Codes of Practice for Open Narrowcast Television Services.



Authority to reconsider the ABA's decision to cancel its licence. The ABA's decision was affirmed.

### **Channel 31 Sydney**

#### **Program: Focus Talkshow**

#### **Complaint: Presentation of accurate and fair news and current affairs programs, complaints handling**

The ABA received three complaints about the program *Focus Talkshow* broadcast by Channel 31 on 17 May 2002. The complainants alleged that the program was likely to incite or perpetuate hatred or gratuitously vilify the Falun Gong and its practitioners and that it contained inaccurate factual information. Although the licensee acknowledged one complainant's letter, it did not provide the promised substantive response, and it did not respond at all to the other complainants.

The ABA determined that the licensee of Channel 31 Sydney:

- breached clause 1.2 of the Television Open Narrowcasting Codes of Practice by broadcasting a current affairs program that unfairly represented the Falun Gong
- breached clause 2.2 of the codes in regard to one written complaint, by not making every reasonable effort to resolve the complaint and
- did not breach clauses 1.3 and 2.4 of the codes, in that two of the three complaints were directed to a previous address.

The licensee of Channel 31 Sydney advised the ABA that it had invited the complainants to meet and discuss their concerns, which included an offer of access to Channel 31 to present the complainants' view regarding the program in question and other Falun Gong material.

In view of the proposed action to be taken by the licensee, the ABA intends to take no further action but may take this matter into consideration if it finds similar breaches of the codes in the future.

### **Channel 31 Sydney**

#### **Program: Actively Radical**

Complaint: Broadcast of material likely to incite or perpetuate hatred against or vilify any person on the basis of nationality or religion, complaints handling

The ABA received two complaints concerning the current affairs program *Actively Radical* broadcast by Channel 31 Sydney on 19 May 2002. The complainants alleged that the licensee breached the codes by:

- broadcasting a program that was biased, distorted and inaccurate and that contained material likely to incite hatred toward Israeli and Jewish people and
- failing to resolve the complaint or to advise the complainants that they were entitled to refer the matter to the ABA.

The ABA determined that the licensee of Channel 31 Sydney breached clauses 2.2, 2.4 and 2.5 of the codes by not making every reasonable effort to resolve the complaints, by not responding to the complaint within 60 days, and by not advising the complainants they could refer the matter to the ABA.

The licensee advised that it accepted all the ABA's findings and that every effort would be made in future to comply with all the regulations as set out in the codes.

The ABA notes that this is the second finding of a breach of complaints handling made about incidents prior to August 2002.

In view of the licensee's assurance of a more vigorous adherence to the provisions of the codes, the ABA proposes to take no further action in this matter but will monitor the licensee's compliance with the complaints handling provisions of the codes. If the ABA finds that there is a continuing problem with complaint letters, it may consider further action.

### **Channel 31 Melbourne**

#### **Program: The Man with the Golden Arm**

#### **Complaint: Drug use in PG classified film**

In February 2003, the ABA received a written complaint concerning the depiction of drug use

in the film *The Man with the Golden Arm*, broadcast by community television service Channel 31 Melbourne on 1 October 2002. The complainant considered that the depiction contained detail that was in excess of the program's PG classification. The complainant also stated that Channel 31 failed to respond to his first complaint.

The ABA determined that the licensee of Channel 31:

- breached clause 3.1 of the codes by failing to apply the OFLC's classification system in its broadcast of the film: the film did not meet the requirements of the PG classification, because it contained a visual depiction of drug use which was not 'mild' and 'incidental'
- breached clause 3.6 of the codes by not scheduling the film with appropriate sensitivity to the likely composition of its audience
- breached clause 2.5 of the codes by failing to advise the complainant that he may refer his complaint to the ABA if not satisfied with the response and
- did not breach clause 2.4 of the codes, because it acknowledged and answered the written complaint within 60 days of receiving it.

In taking these breach findings into account, the licensee stated that in future it will check thoroughly via the Office of Film and Literature Classification (OFLC) web site database the correct classification of all films purchased for broadcast. The licensee also stated that it will employ a classification officer, who will be fully trained in classification matters and in the application of the OFLC's Guidelines. Finally, the licensee said that in all future responses to complainants, it would include information about the complainant's right to refer unresolved matters to the ABA.

## Community radio

### Licence conditions, or code: Community Broadcasting Code of Practice

#### **2LVR FM Forbes**

##### **Program: The Brekky Show, Over the Fence Complaint: Broadcasting of advertisements**

The ABA received two written complaints from the same source alleging that the licensee of 2LVR, Lachlan Valley Community Radio Inc., had breached paragraph 9(1)(b) of Schedule 2 to the Act by broadcasting advertisements in the following instances:

- an interview with Col Elliot and Alan Caswell during the program *The Brekky Show*, broadcast on Monday 19 August 2002 and
- in the program *Over the Fence*, syndicated from commercial radio broadcaster Radio 2UE and broadcast on Sunday 18 August 2002 and Sunday 1 September 2002.

This investigation excluded one of the broadcasts nominated by the complainants because the audio tape was not available.

The ABA determined that on 18 and 19 August and 1 September 2002, Lachlan Valley Community Radio Inc. breached paragraph 9(1)(b) of Schedule 2 to the Act because it had broadcast advertisements.

In view of the steps implemented by the licensee, in particular that it ceased broadcasting the program *Over the Fence*, and in view of the recent amendment to the legislation, the ABA proposes no further action against the licensee on this occasion. The ABA will, however, monitor the licensee's compliance with its licence conditions.

#### **2LVR FM Forbes**

##### **Program: The John Laws Show, Over the Fence Complaint: Broadcasting of advertisements, sponsorship limits per hour**

The ABA received a written complaint alleging that the licensee of 2LVR had, in contravention

of legislative requirements, broadcast advertisements.

The ABA investigated two programs which were interspersed with a number of community service announcements, sponsorship announcements, news, music and station identifications:

- the *John Laws Show* broadcast on 28 August 2002 and
- *Over the Fence* broadcast on 15 September 2002.

The ABA determined that Lachlan Valley Community Radio Inc., the licensee of 2LVR, had:

- breached Schedule 2, subclause 9(3) of the Act by broadcasting sponsorship announcements that exceeded the five-minute limit when it broadcast the *John Laws Show* on 28 August 2002 and
- did not breach subclause 9(1)(b) of Schedule 2 in broadcasting either of the programs that were the subject of the complaint.

The ABA is aware of previous breaches by this licensee of the licence condition on which subclause 9(3) is based. However, in light of the steps taken by the licensee, the ABA proposes no further action against the licensee at this stage.

### **2MCR FM Macarthur**

#### **Complaint: Conflict resolution**

The ABA received a complaint concerning conflict resolution from a non-voting member of the 2MCR Association whose duties include on-air presentation.

The ABA determined that Great Southern Community Broadcaster's Association Inc., the licensee of 2MCR, had:

- breached clause 6.2 of the code by not making every reasonable effort to resolve the disputes within their organisation conscientiously and as soon as practicable and
- breached clause 6.4 of the code by not seeking appropriate alternative dispute resolution mechanisms.

The licensee did not agree with the ABA's findings, claiming that the complainant was responsible for the disputes and for frustrating all attempts to resolve them.

The ABA notes that this is the first occasion that the licensee has been found in breach of the code. The ABA proposes to take no further action but will monitor the licensee's compliance with the conflict resolution provisions of the code.

This provision of the code has been amended in the new code registered by the ABA on 24 October 2002.

### **2NBC Narwee**

#### **Program: Macedonian language show**

#### **Complaint: Broadcasting advertisements**

The ABA received a complaint concerning the Macedonian language program broadcast each Saturday afternoon between 3 and 6 pm by community radio service 2NBC.

The complainant identified a number of issues of concern, including the allegation that the licensee broadcast advertisements over an 18-month period. The complainant also nominated for investigation by the ABA broadcasts transmitted on 2 and 9 November 2002.

The ABA determined that on 2 and 9 November 2002 the licensee of 2NBC, Narwee Baptist Community Broadcasters Ltd, breached paragraph 9 (1)(b) of Schedule 2 to the Act by broadcasting advertisements.

The licensee accepted the ABA's finding and advised its intention to take the following actions to remedy the breach:

- to suspend all announcements in which individual businesses are promoted as a sponsor of the local soccer club and to modify such announcements to satisfy the licence condition requirements
- to notify the program producer that the announcements featuring the sponsor 'Mile's Fresh Food Market' breached the Broadcasting Services Act (although the licensee noted that recent amendments to

the Act would now permit such announcements) and

- to instruct the program producer to withdraw those announcements that failed to attach a 'tag', until such time as a suitable 'tag' has been included.

In addition to the above measures, 2NBC will require its station manager to vet all future sponsorship announcements prior to broadcast.

The ABA notes the above measures and proposes no further action in relation to this matter.

### 2000 FM Sydney

#### Broadcasting advertisements and breaches of a licence condition

The ABA received a number of complaints in the period between December 2001 and May 2002 from a single complainant who alleged that programs in the Arabic language broadcast by the licensee of community radio service 2000-FM had included material that constituted advertisements. The ABA investigated five programs broadcast on 8 December 2001, 19 January 2002, 19 and 23 March 2002 and 18 April 2002 in regard to the following issues:

- a promotional announcement for the American insurance company AIA broadcast on 8 December 2001
- a promotional announcement about the music retailer Jukebox at the end of an interview broadcast on 19 January 2002
- an interview with a playwright and other material broadcast on 19 March 2002 that amounted to advertising for his play
- an interview with a singer and promotional material for his concerts that amounted to an advertisement for the concert and the concert promoter that was broadcast on 23 March 2002
- a promotional announcement for a prize donor, Ace Travel Service, broadcast on 23 March 2002, and
- a program broadcast on 18 April 2002 that mentioned a play *Three Lunatics and a Half*

and a musical *A Night in the East* and information that the tickets for these performances were prizes in an on-air contest.

The ABA noted that the programs in question broadcast on 19 and 23 March 2002 included promotional announcements for a number of businesses, including World Money Express. Each was preceded by an announcement that acknowledged sponsorship of the program but not of the licensee. The ABA also noted that the broadcast of 18 April 2002 included a promotional announcement for World Money Express.

The ABA determined that:

- the licensee breached paragraph 9(1)(b) of Schedule 2 to the Act in its broadcasts on each of five occasions in relation to untagged advertisements and
- the programs broadcast on 19 and 23 March 2002 and 18 April 2002 did not breach paragraph 9(1)(b) of Schedule 2 to the Act in broadcasting community information about the performances.

On 2 August 2001, the licensee had been issued a notice pursuant to section 141 of the Act requiring that it stop breaching the licence condition.

The ABA held a meeting with the licensee on 27 August 2002. At that meeting, the licensee undertook to implement measures to ensure that similar breaches would not occur in the future.

### 2PSR FM Port Stephens

#### Complaint: Conflict resolution, community participation, volunteer guidelines

The complainant alleged that he had been suspended from on-air operations without recourse to the conflict resolution procedures set out in the code. He also complained that other members had been denied access to meetings and that the licensee did not have in place volunteer guidelines as required by the code.

The ABA determined that the licensee of 2PSR:

- breached clauses 6.1, 6.2, 6.3 and 6.4 in relation to conflict resolution and
- did not breach clauses 1.2, 1.9 and 5.1.

The licensee advised that it had adopted a Grievance and Complaint Resolution Policy and a Grievance Procedure on 8 September 2002, that it was seeking assistance from the Community Broadcasting Association of Australia regarding code compliance, and that the complainant was to be reinstated at a future date.

### **2RES FM Eastern Sydney**

#### **Program: Monika Geetmala**

#### **Complaint: Broadcasting advertisements**

The ABA received a written complaint that the licensee of community radio service 2RES FM had breached the Act by broadcasting advertisements during the Hindi language program *Monika Geetmala*.

The ABA determined that on 24 November 2002 the licensee of 2RES FM, Radio Eastern Sydney Cooperative Ltd, breached paragraph 9(1)(b) of Schedule 2 to the Act when it broadcast 34 advertisements during the *Monika Geetmala* program.

The licensee informed the ABA that it had implemented a number of measures designed to prevent future breaches of the licence condition and to ensure that all programmers are now fully aware of their responsibilities. In addition, the licensee said that it had conducted a series of meetings with the producer/presenter of the program. At these meetings it sought to clarify the differences between community service announcements, station promotions and sponsorship announcements. The licensee has undertaken to ensure that these distinctions are properly understood by all programmers.

The ABA notes that no previous breaches have been recorded against this licensee. In view of the steps taken, the ABA proposes no further action against the licensee on this occasion but will monitor the licensee's future compliance with its licence conditions.

### **West FM Blacktown**

#### **Complaint: Protection of children from harmful program material, adequate consideration of the audience, broadcast of code information, complaints handling**

The complainant alleged that on 30 May 2002 Western Community Radio Association Inc. (West FM), a holder of a temporary community radio licence:

- broadcast music containing offensive and explicit language during a mid-afternoon timeslot
- had failed to implement adequate program practices
- did not provide regular on-air information about the Community Broadcasting Code of Practice and how audiences may obtain it, as required by clause 7.2 of the code and
- had not made a reasonable effort to resolve the complaint.

The ABA determined that West FM:

- breached code clause 1.7 in that it failed to demonstrate that it has established programming practices which protect children from harmful program material
- breached code clause 2.2 in that it failed to give adequate consideration to the audience, context, degree of explicitness, propensity to alarm, distress or shock, and the social importance of the event and
- did not breach clauses 7.2 and 7.3 of the code relating to complaints handling.

West FM advised the ABA that it did not accept that there had been any fault on its part. Rather, it seemed to believe that having agreements in place with on-air presenters relieved it of responsibility to ensure that the agreements are fulfilled. This is not acceptable to the ABA and the licensee will need to pay closer attention to what is presented on air as part of its service.

However, the ABA notes that the licensee has now terminated *The Swish Show*, which is the subject of this complaint. In light of this response, the ABA will take no further action in relation to this matter but will continue to monitor the station.

## **2XX Canberra**

### **Program: Words Apart**

#### **Complaint: Program practices to protect children, consideration of the audience regarding degree of explicitness, and propensity to alarm distress or shock, complaints handling**

The ABA received a complaint alleging that the licensee, during the program *Words Apart*, broadcast material that was offensive and profane and that the licensee did not respond to his complaint within sixty days.

The ABA determined that the licensee, Community Radio 2XX Inc.:

- breached clause 2.2 of the code by broadcasting material that had the propensity to alarm, distress or shock
- breached clause 7.4(c) of the code by not responding to the complaint within 60 days and
- did not breach clause 1.7 of the code in relation to the requirement to establish programming practices to protect children from harmful material.

The licensee undertook to be more vigilant in the future when screening broadcast material, in order to avoid recurrences. In relation to the ABA's findings on complaints handling, the licensee stated that its staff and board of management take these complaints very seriously and it was an unfortunate accident that the complaint was not dealt with sooner. The licensee's board reaffirmed that that these matters are to take the very highest priority in the future.

The ABA notes that no previous breaches have been recorded against this licensee, and proposes no further action against the licensee on this occasion but will monitor the licensee's future compliance with the code.

## **3MDR FM Melbourne**

### **Complaint: Policy and procedures for volunteer principles and responsibilities and for internal conflict resolution**

The ABA received a complaint from a member of the Mountain District Radio Association Inc. (3MDR) alleging that:

- the licensee did not resolve an internal complaint satisfactorily under the code of practice
- the rules of the 3MDR Association do not include dispute handling, conflict resolution or complaints handling procedures and
- the licensee does not have any documented guidelines setting out the rights and responsibilities of volunteers.

The ABA determined that the licensee of 3MDR:

- breached clause 5.1 of the code in that it did not demonstrate it had guidelines in place that outline the principles of volunteering or the rights and responsibilities of volunteers within the organisation and
- breached clause 6.2 of the code because it did not demonstrate that it had a written policy and procedures that outline mechanisms to facilitate internal conflict resolution within the organisation.

The ABA is currently considering what further action it may take in relation to this matter.

## **3YYR FM Geelong**

### **Program: Radio Real Estate Program**

#### **Complaint: Broadcasting of an advertisement and breach of a licence condition**

The ABA received a complaint alleging that the *Radio Real Estate Program*, broadcast by the licensee Geelong Community Radio Co-Operative Ltd on 29 June 2002 and 17 August 2002, contained material that constituted advertising.

The ABA determined that the licensee of 3YYR, Geelong Community Radio Co-Operative Ltd, breached paragraph 9(1)(b) of Schedule 2 to the Act in that it broadcast advertisements during the *Radio Real Estate Program* on 17 August 2002.

In its response to the ABA's preliminary investigation report, the licensee stated that it concurred with most of the ABA's conclusions but added that it was a lack of understanding of the guidelines that led to a breach and that in future it,

would be much more conscious of ensuring that this information is given out without inadvertently advertising.

The licensee also proposed a number of measures to address the issues the ABA raised.

In light of the steps taken, the ABA proposes to take no further action at this stage. It remains to be seen whether the steps taken will satisfactorily address the issues at the centre of this investigation.

The ABA will monitor the licensee's compliance with the provisions of the Act regarding sponsorship and advertising. If the ABA finds that there is a continuing problem with sponsorship and advertising, it may consider further action.

#### **5DDD FM Adelaide**

##### **Complaint: Consideration given to the audience in language broadcast in programs, complaints handling**

The ABA received an unresolved complaint concerning explicit and offensive language used in three songs during a broadcast by 5DDD at about 4 am on 22 October 2002. The three songs in question were presented in a program during the midnight to dawn shifts. It was a request program where a large range of music styles was played in response to requests from the listeners.

The complainant further stated that he was not satisfied with the licensee's response, which did not address the subject of the complaint but urged the complainant to provide comment on the specific code and how he believed it was breached.

The ABA determined that the licensee of Progressive Music Radio Association Inc. (5DDD):

- breached clause 7.3 of the code by not making every reasonable effort to resolve complaints
- breached clause 7.4(d) of the code by not advising the complainant in writing that he has the right to refer his complaint to the ABA and
- did not breach clause 2.2 of the code in its broadcast of 22 October 2002, in view of the audience, time of broadcast and context of the program.

The licensee stated that it would discuss with CBAA details of this investigation and request an interpretation of clause 7.4 of the revised code. The licensee also stated that it would present to the licensee's general meeting later this year a draft complaints management policy in accordance with the revised code.

#### **Beach FM Caloundra**

##### **Program: Advertisements**

##### **Complaint: Broadcasting of advertisements and breach of a transmitter licence condition**

The ABA received a complaint alleging that the service, a holder of a temporary community radio broadcasting licence, had broadcast advertisements and that it was in breach of a special timing condition imposed on its transmitter licence.

The ABA determined that the licensee:

- breached paragraph 9(1)(b) of the Act because it had broadcast an advertisement and
- breached the special timing condition.

The licensee advised the ABA that it had conducted additional training for the broadcaster concerned and that it had circulated a memo to all station broadcasters reminding them of their responsibilities under the licence conditions. In view of the steps taken by the licensee to rectify the matter, and the fact that no previous breaches have been recorded against this licensee, no further action was taken by the ABA in relation to the breach of paragraph 9(1)(b). In view of some conflicting advice given to the licensee in relation to its transmitter

licence, the ABA decided to take no further action.

#### **Beau FM Beaudesert**

##### **Program: Keep Up With the Times**

##### **Complaint: Broadcasting of advertisements**

The ABA received a complaint alleging that Beaudesert Community Radio Group Inc., a holder of a temporary community radio broadcasting licence, had broadcast advertisements for the local newspaper during the program *Keep Up With the Times*.

The ABA determined that the licensee breached paragraph 9(1)(b) of the Broadcasting Services Act because it had broadcast an advertisement.

The ABA concluded that seven references to the newspaper contained in a twenty-minute segment was designed to promote the newspaper and was therefore of advertising character.

The licensee advised the ABA that its programs no longer mention the local newspaper and that it will endeavour to comply with paragraph 9(1)(b) in future. In view of the steps taken by the licensee to rectify the matter, and the fact that no previous breaches have been recorded against this temporary community licensee, no further action was taken by the ABA in relation to this matter.

#### **4RR FM Charleville**

##### **Complaint: Broadcasting advertisements, sponsorship limits per hour**

The ABA received a written complaint concerning material broadcast during general programming on temporary community radio service 4RR FM Charleville, which represents the local and surrounding Aboriginal and Torres Strait Islander communities of Charleville.

The complainant alleged that the licensee had breached its temporary licence conditions by:

- playing untagged advertisements and
- broadcasting advertisements for more than the five minutes per hour permitted for proper sponsorship announcements.

The ABA noted that the above advertisements were interspersed with a number of community service announcements, sponsorship announcements, news, music, and station identifications.

The ABA determined that the licensee of temporary community radio service 4RR Charleville, Bidjara Media and Broadcasting Company Ltd, breached the licence condition at paragraph 9(1)(b) of Schedule 2 to the Act when it broadcast advertisements on 22 and 25 November 2002. Given the finding that the announcements themselves were not compliant, the question of whether they fell within the five-minute time limit does not arise as a matter for further adjudication.

The licensee stated that the seriousness of the breach has been brought to the attention of all staff and that it has fully addressed the issue to ensure that all sponsorship announcements are correctly tagged.

In the light of this, the ABA will take no further action in relation to this matter but will monitor the temporary licensee's compliance.

#### **7RGY Huon, Tasman FM Nubeena and Edge FM Hobart**

##### **Program: The Footy Show**

##### **Complaint: Broadcasting of advertisements**

The complaint alleged that on 24 August 2002 the following licensees broadcast sponsorship announcements in excess of five minutes in the first hour of *The Footy Show*:

- 7RGY, a community radio service
- Tasman FM, a temporary community radio service
- Edge FM, a temporary community radio service.

At the time the complaint was made, the complainant was an aspirant for the South Hobart community licence.

The ABA determined that on 24 August 2002:

- the licensee of 7RGY, Radio Geeveston Youth Inc., breached paragraph 9(1)(b) of Schedule 2 to the Act by broadcasting more than five



minutes of sponsorship announcements between 10 am and 11 am and

- the temporary community broadcasting licensees Tasman FM (Tasman Community Broadcasters Association Inc.) and Edge FM (Tasmania University Broadcasters Inc.) breached paragraph 9(1)(b) of Schedule 2 to the Act by broadcasting advertisements during *The Footy Show*.

The ABA notes that the amendments to the Broadcasting Services Act which commenced on 30 December 2002 are relevant to this matter.

In view of the steps implemented by the licensees, and in view of the recent amendment to the legislation, the ABA proposes no further action against the licensees on this occasion. The ABA will, however, monitor each of the licensee's compliance with its licence conditions.

#### **Edge FM Hobart**

##### **Complaint: Broadcasting of advertisements, consideration given to the audience, independence in programming**

The ABA received complaints from two complainants concerning the service provided by Tasmanian University Broadcasters Inc. (Edge FM). At the time of the complaints, Edge FM was the holder of a temporary community broadcasting licence in the Hobart area of Tasmania and operated on the frequency 99.3 MHz.

The issues raised by both complainants are very similar in nature, and the ABA decided to investigate the matters together.

The issues that formed the basis of this investigation were whether Edge FM breached:

- clause 2.2 of the code by virtue of the language content contained in certain music it broadcast
- paragraph 9(1)(b) of Schedule 2 to the Act, by virtue of the broadcast of program content relating to the University of Tasmania and the University Union
- clause 1.3 of the code, which requires it to be controlled by an autonomous body which is

representative of the licensee's community and

- clause 1.5 of the code, which requires independence in programming.

The ABA determined that Edge FM:

- breached clause 2.2 of the code by broadcasting material that failed to give adequate consideration to the audience, context, degree of explicitness, propensity to alarm, distress or shock, and to the social importance of the event
- did not breach paragraph 9(1)(b) of Schedule 2 to the Act, and
- did not breach clauses 1.3 and 1.5 of the code.

The licensee advised that a number of additional measures have since been put in place in order to prevent future breaches of code 2.2, including the following:

- all presenters will be advised of the ABA's investigation and will be made aware of the need to comply with the CBAA code and the station's radio policy
- scheduling software has been introduced for approximately 60 per cent of on-air scheduling (mainly between 6 am and 10 pm)
- all new music is assessed for potentially offensive content by a committee of volunteers prior to being added to the database
- a notification system for offensive content will be implemented and
- programmers not using scheduling software have been asked to take a precautionary approach with programming choices.

The ABA notes the above measures and proposes no further action in relation to this matter.

#### **8MAB FM Borroloola**

##### **Complaint: Causing a record to be made of broadcast matter relating to a political subject**

In May 2002 the ABA received a complaint alleging that community radio station 8MAB,

operating in the remote Borroloola region of the Northern Territory, had failed to include a tag with the required particulars for political matter in a broadcast which advocated that listeners vote for certain candidates in the elections for positions on the Borroloola Community Government Council.

In the course of the investigation, it was revealed that 8MAB had not retained a tape of the broadcast and that the licensee was not aware of any obligations in this regard.

The ABA determined that the licensee:

- breached the licence condition at clause 5 of Schedule 2 to the Act by not causing a record to be made of broadcast matter relating to a political subject
- did not breach the requirements of subclause 4(2) of Schedule 2 to the Act, because there was no evidence to suggest that the political comments in question were broadcast 'at the request of another person'.

The licensee advised the ABA that all station announcers are verbally instructed to:

- adhere to the community code kept in the studio
- not broadcast political statements of a personal nature and
- tape all interviews with visiting politicians on a video player set up at the studio console.

The licensee also provided the ABA with a copy of a statement all station personnel would now be required to sign which outlines their responsibilities and legal requirements.

In view of the action taken by the licensee to ensure that the requirements of the Act are met, the ABA intends to take no further action in this matter, but it may take this matter into consideration if it finds similar breaches of the Act in future.

## Open narrowcast radio

### Broadcasting Services Act

#### K-FM Kingaroy and Narango

##### **Complaint: Not operating as a narrowcast service**

On 12 September 2001, the ABA received a complaint alleging that the open narrowcasting service broadcasting on 96.3 MHz in Kingaroy, Queensland, and known locally as K-FM Kingaroy 96.3, was not providing a narrowcast service, as required by its licence. The complainant also advised that this service was being relayed to a low-powered open narrowcast service on 87.6 MHz, known as K-FM Nanango 87.6, in Nanango (approximately 24 kms south east of Kingaroy). As a result, the complainant alleged, the service provided in Nanango was also operating outside the requirements of its licence.

The licensee advised the ABA that it was unable to provide tapes for some of the periods requested by the ABA, because news tapes were retained for four weeks rather than the six weeks required by the Act.

The ABA determined that, at the time relevant to its investigation, the licensee:

- breached section 133 of the Act by providing a commercial broadcasting service without a licence and
- breached subclause 5(3) of Schedule 2 to the Act by not retaining, for a period of six weeks, a record of matter broadcast which related to a political subject or current affairs in the form of news, a commentary or a discussion.

In response to the ABA's preliminary report, the licensee advised that its format had been amended so that news was no longer a component of the service and that relevant tapes were now retained for the required period. The ABA finds that the new format, if implemented, is likely to be compliant with the requirements set out at section 18 of the Act.

The ABA notes the steps taken by the licensee and does not intend to take any further action in relation to this matter.

**Country FM Toowoomba**  
**Complaint: Operating a commercial broadcasting service without a licence**

On 30 January 2002, the ABA received a complaint alleging that the open narrowcasting service broadcasting on 91.5 MHz, 93.7 MHz and 99.1 MHz in Toowoomba, Queensland, and known locally as Toowoomba Country, was not providing a narrowcast service, as required by its licence under the Act. The complainant alleged that, as the service was broadcasting on all three frequencies hourly news and weather bulletins, country music, and commercial and community messages, there was nothing to distinguish its programming from that of the commercial services in the area.

The ABA determined that, at the time relevant to its investigation, the Toowoomba Country service being provided by Gold Radio Service Pty Ltd:

- was not an open narrowcasting service as defined at section 18 of the Act
- was a commercial broadcasting service as defined at section 14 of the Act and
- was being provided without an appropriate licence and therefore was in breach of section 133 of the Act, which states that:

A person must not provide a commercial radio broadcasting service unless the person has a licence to provide that service.

Penalty: 2,000 penalty units.

In response to the ABA's preliminary report, the licensee advised that it had ceased the simulcasting of Toowoomba Country on 93.7 MHz and 99.1MHz and had amended its format so that:

- news was no longer a component of the service
- its music content on 91.5 MHz was reduced to only contemporary Australian country

music artists and Australian new releases and

- four-hour rotating programs of limited appeal were introduced on the other frequencies.

The ABA finds that the new format, if implemented, is likely to be compliant with the requirements set out at section 18 of the Act.

The ABA notes the steps taken by the licensee and does not intend to take any further action in relation to this matter.

## SBS Television

### SBS Codes of Practice

**Program: SBS World News**

**Complaint: Accuracy, fair presentation, balanced over time, and complaints handling**

The ABA received a letter of complaint about an *SBS World News* item broadcast on 2 April 2002 which alleged that the news item featuring an interview with the Palestinian Ambassador to Vanuatu was biased and unfair and elicited views that were inaccurate. The complainant also stated that he had not received a response to his letter of complaint.

The ABA determined that SBS TV:

- breached clause 7.3.2 of the codes in failing to reply to the complainant's letter in a timely manner and within six weeks of receipt and
- did not breach codes clause 2.4.1 in broadcasting the news item in question.

SBS acknowledged its administrative error in failing to respond to the complainant and has since rectified it. In light of this, the ABA proposes to take no further action.

## ABC Radio

### ABC Code of Practice

**Program: AM**

**Complaint: Accuracy and complaints handling**

The ABA received a letter of complaint about an ABC news program broadcast on 27 August 2001. The complainant claimed that the story on the Jedwabne Massacre of Jews in Poland during World War II was inaccurate, slanderous and defamed Poles. The complainant also confirmed that he had not received a response to his letter of complaint.

The ABC advised that a story concerning the Jedwabne Massacre had not been broadcast on 27 August 2001 but that the story had been broadcast in the *AM* program on ABC Radio on 11 July 2001. This was the date specified by the complainant in his original letter of complaint to the ABC.

The ABA determined that ABC Radio breached clause 8.1 of the code by not responding to a letter of complaint about the *AM* program on 11 July 2001 within 60 days of receiving the letter.

The ABC advised that as a result of this complaint the Mail Department had been requested to review its practice in relation to recording registered mail. In view of the action taken by the ABC, the ABA will take no further action.

## Appendix 5

### Temporary community broadcasting licences allocated

State/ licence area	Licensee	Frequency (MHz)
<b>New South Wales</b>		
Blacktown RA1	Western Community Radio Association Inc. FM	99.9
Blacktown RA1	Blacktown City Community Radio SWR-FM Association Inc.	99.9
Goulburn RA1	Braidwood FM Inc.	92.3
Coffs Harbour RA2	Coffs Harbour Christian Broadcasters Inc.	94.1
Coonabarabran	Warrumbungles Community Broadcasting Association Inc.	99.5
Coonamble	Warrumbungles Community Broadcasting Association Inc.	91.9
Dunedoo RA1	Talbragar Broadcasters Inc.	101.5
Eden	Eden Community Radio Inc.	104.7
Gilgandra	Warrumbungles Community Broadcasting Association Inc.	98.9
Glen Innes RA1	Deepwater & Districts Community FM Radio Inc. (Glen Innes)	105.9
Gosford RA1	Newcastle Christian Broadcasters Ltd	94.9
Gosford RA1	Radio Yesteryear Inc.	94.9
Gosford RA1	Wyong-Gosford Progressive Community Radio Inc.	94.9
Jingellic	Upper Murray Community Radio Inc.	107.7
Lithgow RA2	Lithgow Community Radio Inc.	90.5
Lismore RA2	North Coast Radio Inc.	92.9
Lord Howe Island	Lord Howe Island Radio Station Association Inc.	100.1
Murwillumbah RA2	Heartland Opry Group Inc.	101.3
Murwillumbah RA2	North Coast Broadcasters Ltd	101.3
Sanctuary Point	Bay & Basin Community Resources Inc.	92.7
Taree RA3	Manning Great Lakes Christian Broadcasters Inc.	106.5
Wollongong RA2	Hellenic Australian Radio Inc.	93.3
<b>Victoria</b>		
Bendigo RA2	Central Victorian Gospel Radio Inc.	101.5
Corrywong RA1	High Country Christian Broadcasters Inc.	94.9
Horsham RA2	Horsham & District Community FM Radio Inc.	96.5
Kilmore	Mitchell Community Radio Inc.	97.1
Walwa	Upper Murray Community Radio Inc.	88.7
Warragul RA2	West Gippsland Community Radio Inc.	103.1
<b>Queensland</b>		
Blackwater	Blackwater Community Broadcasters Association Inc.	92.7
Bundaberg RA1	Bundaberg Breeze Community Broadcasting Association Inc.	96.3
Charleville	Bidjara Media & Broadcasting Company Ltd	105.7
Mackay RA2	Townsville Aboriginal and Islander Media Association Inc.	105.9
Moranbah RA1	Rock FM Association Inc.	96.9
Smithfield	Smithfield Community Radio Association Inc.	101.9
Tiaro	Tiaro Community Radio Inc.	103.1
Yarraman	Yarraman & Districts Historical Society Inc.	99.9

<b>State/ licence area</b>	<b>Licensee</b>	<b>Frequency (MHz)</b>
<b>South Australia</b>		
Cooper Pedy	Dusty Radio Inc.	104.5
Roxby Downs	5 Rox 98 FM Community Radio Incorporated	105.5
<b>Western Australia</b>		
Harvey	Harvey Mainstreet Inc.	96.5
Perth RA1	Capital Community Radio Inc.	90.5
<b>Tasmania</b>		
Hobart RA3	Cadence FM Inc.	99.3
Hobart RA3	Tasmanian University Broadcasters Inc.	99.3
Oatlands RA1	Southern Midlands Community Radio Station Inc.	97.1
Break O'Day RA1	BOD FM Inc.	93.7 & 100.3
<b>Territories</b>		
Christmas Island	Radio VLU2-FM Announcers' Association Inc.	102.1 & 105.3
Cocos Islands RA1	VKW 'Voice of the Cocos (Keeling) Islands' Inc.	96.0 & 105.3

## Appendix 6

### Arrangements for outside participation

Section 168 of the Broadcasting Services Act empowers the ABA to inform itself on any matter relevant to its functions. This may be done by consulting with such persons, bodies and groups as the ABA thinks fit, and forming consultative committees for that purpose; by conducting investigations and holding hearings and considering written submissions from the public; and in any other manner it thinks fit. To this end, ABA officers participate in a range of organisations reflecting the broad range of the ABA's functions.

The ABA has entered into the following formal arrangements:

#### Memorandum of understanding (MOU) – domestic

The ABA has entered into memoranda of understanding with Australian State and Territory police agencies, that cover referral of information about certain categories of Internet content.

#### Service level agreements – domestic

The ABA has service level agreements with the Australian Federal Police covering referral of information about prohibited Internet content and prohibited Internet gambling content.

#### Radiocommunications Act agreement

The ABA has an agreement under section 31(2) of the Radiocommunications Act with the Australian Communications Authority. The ABA and the Australian Communications Authority agreed that where the text of the *Radiocommunications (Datacasting Transmitter Licence Allocation) Determination 2000* permitted

or required the issue of a datacasting transmitter licence to an applicant the Australian Communications Authority could issue the datacasting transmitter licence to the applicant.

#### Cooperation agreements

- Broadcasting Standards Council, UK (Broadcasting Standards Commission since 1996, signed 30 August 1995)
- Canadian Radio-Television and Telecommunications Commission (signed 21 April 1997)
- Conseil Supérieur de l'Audiovisuel, France (signed 22 April 1997) and
- Broadcasting Standards Authority, NZ (signed 15 September 1998).

#### Australian preparatory groups

Australian Preparatory Groups consist of representatives from Commonwealth departments and authorities, industry organisations and special interest groups. They work to prepare Australian proposals for the World Radio Conferences and other major conferences of the International Telecommunication Union. The principal function of these conferences is to seek agreement between member nations on radiocommunications regulations and spectrum allocations. Individual conferences cover specialised aspects of broadcasting, mobile communications, satellite broadcasting, the use of particular frequency bands and the guaranteeing of equitable access to the geostationary satellite orbit for all countries.

Australian Radiocommunications Study Groups (ARSGs) prepare Australian inputs to considerations of the Radiocommunications and Telecommunications Bureaux of the International Telecommunication Union.

The ABA participates in the ARSG 6, which is concerned with studying principles relating to spectrum management and the preparation of recommendations for technical standards

relating to radiocommunications and broadcasting services, in the following ITU forums:

- ITU-R Study Group 1: Spectrum Management
- ITU-R Study Group 3: Radiowave Propagation
- ITU-R Study Group 4: Fixed-Satellite Services
- ITU-R Study Group 6: Radiocommunication broadcasting (terrestrial and satellite), including vision, sound, multimedia and data services principally intended for delivery to the general public
- ITU-R Study Group 8: Mobile, Radiodetermination, Amateur and Related Satellite Services
- ITU-R Study Group 9: Fixed Services; and
- ITU-T Study Group 9: Integrated broadband cable networks and television and sound transmission.

Additionally, the ABA Director of Engineering and Technology, Mr Fred Gengaroli is a Vice Chairman of Working Party 6E – Terrestrial Delivery of ITU-R Study Group 6.

### Standards Australia boards and specialist committees

The ABA is represented on the following:

- TE/3 Electromagnetic Interference
- CT/2 Broadcasting and Related Services and
- Department of Communications, Information Technology and the Arts Digital Radio Broadcasting (DRB) Committee as well as the associated Policy and Technical Sub-committees.

### Other external participants

In addition, the ABA consults and meets with various interested parties, including:

- Commercial Radio Australia (previously Federation of Australian Radio Broadcasters)
- Commercial Television Australia (previously the Federation of Australian Commercial Television Stations)
- the Australian Subscription Television and Radio Association Inc.
- Broadcast Australia
- TX Australia
- TVNZ Australia
- Australian Broadcasting Corporation
- Special Broadcasting Service
- Community Broadcasting Association of Australia
- Community Broadcasting Foundation
- Internet Industry Association
- Net Alert
- Progressive Radio Association
- Australian Association of National Advertisers
- Advertising Federation of Australia
- Radiocommunications Consultative Committee
- Screen Producers Association of Australia
- Australian Screen Directors Association
- Australian Writers Guild
- Media Entertainment and Arts Alliance
- Communications Law Centre
- Office of Film and Literature Classification
- Australian Film Commission
- Film Finance Corporation
- Film Australia
- Australian Music Performance Committee, and
- Digital Convergence Australia.

The ABA also consults with other regulators such as the Australian Competition and Consumer Commission, the Australian Communications Authority and the Foreign Investment Review Board.



The ABA is an associate member of the Internet Hotline Providers in Europe Association.

An ABA representative participates in the New South Wales Internet Safety for Children Taskforce, Australian Federal Police Fraud Liaison Forum and the Mental Health and the Media Reference Group convened by the Department of Health and Aged Care.

The ABA continued its membership with overseas agencies including the Asian Broadcasting Union and the Commonwealth Broadcasting Association.

### Memoranda of understanding

The ABA has memoranda of understanding and cooperation agreements with a number of overseas broadcast regulators including the Broadcasting Standards Authority (New Zealand), Broadcasting Standards Commission (UK), Canadian Radio-television and Telecommunications Commission, the Conseil Supérieur de l'Audiovisuel (France), Singapore Broadcasting Authority (Singapore) and the Government Information Office in Taipei.

## Conferences

### Asia-Pacific regulatory roundtable

The seventh Asia-Pacific Roundtable was hosted by the ABA in Sydney on 28–30 October 2002, with delegates from Australia, Hong Kong SAR China, Malaysia, New Zealand, Singapore, South Korea and Taiwan.

### Internet Hotline Providers in Europe Association

The ABA is currently an associate member of the Internet Hotline Providers in Europe Association (INHOPE) and was represented at members' meetings in Cambridge in September 2002 and Reykjavik in May 2003. The ABA participated by teleconference in parts of the February 2003 meeting held in Dublin. Members

meetings provide a valuable forum for exchange of information and expertise relating to investigation techniques, hotline promotion, staff welfare, and other hotline management issues.

The ABA's Hotline Manager chairs the INHOPE working group on content issues. The working group presented draft guidelines for investigating illegal content hosted in world wide web groups and communities at the Dublin members meeting. It is expected that these will be finalised during 2003–04.

A decision was taken by INHOPE members at the May 2003 Reykjavik meeting to amend INHOPE's membership rules to allow bodies outside the European Economic Area to become full members of the association, and the ABA expects to become a full member of INHOPE during 2003–04.

### Third annual ABA conference

The third annual ABA conference was held at the Hyatt Hotel, Canberra on 6 and 7 May 2003.

## Appendix 7

### Licence area planning and licensing

Table 1: Number of new transmitters planned in final licence area plans (radio)

Licence area plan	Date published	National	Commercial	Community	Open narrowcast
<b>Victoria</b>					
Mildura	October 2002	–	–	–	1
Victorian Community Radio	December 2002	–	–	2	–
<b>Queensland</b>					
Blackwater	September 2002	–	–	1	–
Emerald	September 2002	–	–	2	4
Remote North East Zone	August 2002	–	3	–	–

Table 2: Retransmissions (radio)

Area served	Service transmitted	Area served	Service transmitted
<b>Queensland</b>		Beacon	6MER
Bogantungan	4ABCFM	Hudson Farm / Yelbeni	6FMS
Bogantungan	4ABCRR	Punmu	6ABCRR
Burketown	4ABCRR	Punmu	6ABCFM
Burketown	4JJJ	Sandstone	6FMS
Lockhart River	4CA	Southern Cross	6JJJ
McKinlay / Cannington Mine	4JJJ	Sunrise Dam Mine	6FMS
Weipa	4AM	Sunrise Dam Mine	6ABCRR
<b>South Australia</b>		Wallal Downs	6ABCRR
Ballara	5JJJ	Warmun	6ABCRR
<b>Western Australia</b>		<b>Northern Territory</b>	
Almaden	6ABCFM	Barunga	8ABN
Almaden	6ABCRR	Bulman	8ABCRR
Aurkun	6ABCRR	Yarralin	ABCRR
		Yarralin	8KIN

Table 3: Retransmissions (television)

Area served	Service transmitted	Area served	Service transmitted
<b>New South Wales</b>		Sandstone	WOW
Bega /Eden	WIN46	Sandstone	SBS
<b>Victoria</b>		Sandstone	ABN
Cravensville	SBS	Warralong	SBS
Dartmouth	SBS	Warralong	ABC
<b>Queensland</b>		Warralong	WAW
Bogantungan	QQQ66	Warralong	WOW
Bogantungan	4ABQ69	Walpole	ABW65
Burketown	SBS60	Warmun	6ABCRR
Burketown	IMP63	Wyalkatchem	ABC KIDS FLY
Hope Vale	ABQ69	Wallal Downs	WOW36
Hope Vale	IMP60	Wallal Downs	WAW30
Hope Vale	QQQ63	Youngalleena	ABC
Lockhart River	SBS60	Youngalleena	SBS
Thallon	QQQ66	Youngalleena	WAW
Thallon	ABQ69	Youngalleena	WOW
<b>Western Australia</b>		<b>Tasmania</b>	
Gascoyne	ABC66	Hobart	TVT
Gascoyne	WAW69	Norfolk	TVT
Ora Banda Caravan Park	WAW	<b>Northern Territory</b>	
Ora Banda Caravan Park	ABC	Douglas Daly	SBS
Pardoo	WOW	Erlunda	ABC
Punnu	ABC	Erlunda	IMP
Punnu	SBS	Umagico	IMP
Punnu	WAW	Umagico	QQQ
Punnu	WOW		

Table 4: Section 212 (radio &amp; television)

Area	Licence area	Service retransmitted
<b>Western Australia</b>		
Boddington	Narrogin	6FMS
<b>Northern Territory</b>		
Bathurst Island	Remote Central Zone	8MIX

Table 5: Special events (radio)  
in order of area served

Area served	Organisation	Period
<b>Australian Capital Territory</b>		
Canberra	Canberra Islamic Centre	1 to 28–11–02
Canberra	Street Machine Services	10 to 12–1–03
Canberra	Canberra Islamic Centre	29–11 to 27–12–02
<b>New South Wales</b>		
Appin	Black Stump Radio, CCY Activities	11 to 13–10–02
Aust Square Sydney	2CR China Radio Network	9–9 to 1–10–02
Cockatoo Valley	Special Event Broadcasters	4 to 7–10–02
Domain Sydney	32 Hundred Lighting Pty Ltd	25 to 27–4–03
Eastern Creek	WF Sound Services	27 to 29–09–02
Eastern Creek	WF Sound Services	24–02–03
Eastern Creek	WF Sound Services 1	11 to 13–7–03
Eastern Creek	WF Sound Services	26–06–03
Lyndhurst	Robin MacPherson	22 to 23–10–02
Mt Panorama Bathurst	WF Sound Services	14 to 16–11–02
Mt Panorama Bathurst	WF Sound Services	14 to 15–12–02
Olympic Pk Homebush	Live Event Company	1 to 28–11–02
Olympic Pk Homebush	Royal Agricultural Society of NSW	20 to 23–2–03
Oran Park	WF Sound Services	16 to 18–8–02
Oran Park	WF Sound Services	1 to 6–4–03
Sydney	2CR China Radio Network	14 to 16–3–03
Sydney	OUTFM	1 to 5–1–02
Sydney	Islamic Council of NSW	19–1 to 16–2–03
Sydney	2CR China Radio Network	10 to 14–12–02
6 x Sutherland Sydney	Sutherland Shire Community Radio	27 to 29–9–02
Tamworth	CMAA Country Music Assoc.	1 to 6–12–02
Wagga Wagga	Wagga Wagga Community Media	12 to 14–9–03
Wesburn	St Johns Ambulance	4 to 11–5–03
<b>Victoria</b>		
Chute	The Radio Station	20–3 to 23–3–03
Geelong	ASRF Street Rod Nationals	24 to 30–3–03
Lardner Park, Warragul	Youth Vision Victoria	2 to 10–6–03
Lardner Park, Warragul	Votraint No 691 Pty Ltd (Radio 3GG)	7 to 9–3–03
Melbourne	Australian Grand Prix Corporation	7 to 25–4–03
Melbourne Park	M D Media Services	18 to 21–9–03
Melbourne Park	M D Media Services	17–1 to 2–2–04
Mildura	Mildura River City Jazz Club	27–10 to 5–11–02
Mildura	Mildura District & RSL Agricultural & Horticultural	13 to 20–10–02
Mildura	Mildura Country Music Festival Inc	22–9 to 7–10–02

Table 5: Special events (radio) (ctd)

Area served	Organisation	Period
7 x various Victoria	Bicycle Victoria	11 to 19-1-03
Rover Scout Pk Caveat	Scout Assoc of Australia	11 to 13-7-03
Willow Bank	WF Sound Services	5 to 9-6-03
<b>Queensland</b>		
Brisbane	Conference and Simultaneous Interpreting Services	20-3-03
Dalby	Aust Independent Radio Network	16 to 18-5-03
Gold Coast	Gold Coast Events	22 to 26-10-03
Ingham	Coastal Broadcasters	30-5 to 1-6-03
Ingham	Coastal Broadcasters	4 to 10-5-03
Ipswich	Ivory's Rock Conference Centre	3 to 6-9-02
Surfers Paradise	Radspec for Gold Coast Events Co Pty Ltd	13 to 22-10-02
Nambucca Heads	Drag-ens Hot Rod Club	28-9 to 5-10-03
Valla Park	Drag-ens Hot Rod Club	21 to 27-10-02
<b>South Australia</b>		
Victoria Park, Adelaide	Flashpoint Pty Ltd	30 to 11-7-12-02
Victoria Park, Adelaide	SA Motor Sport Board	14 to 16-2-03
West Beach	Uniting Church in Aust (SA)	14 to 16-2-03
<b>Western Australia</b>		
Barbagallo	WA Sporting Car Club	5 to 9-6-03
Boddington	Telstra Rally Australia	22-8 to 12-9-03
Dwellingup, Abercorn, Chidlow	Telstra Rally Australia	14 to 10-11-02
Dwellingup	Telstra Rally Australia	22-8 to 12-9-03
Jarrahdale	Telstra Rally Australia	22-8 to 12-9-03
Maida Vale Perth	Uniting Church	23 to 27-1-03
Mundaring	Telstra Rally Australia	22-8 to 12-9-03
Nannup	Telstra Rally Australia	14 to 16-3-03
Newdegate	Rossound Hire	2 to 4-9-03
Perth	Telstra Rally Australia	22-8 to 12-9-03
Stirling West	Telstra Rally Australia	22-8 to 12-9-03
Sherraton	Telstra Rally Australia	22-8 to 12-9-03
<b>Tasmania</b>		
7 x various Tasmania	Bicycle Victoria	17 to 28-1-03
Cygnnet	Cadence FM	3-3 to 10-3-03
Deloraine	Rotary Club of Deloraine	20-10 to 9-11-02
Glenorchy, Hobart	Cadence FM	30-5 to 1-6-03
Symmons Plains	Motorsports Tasmania Pty Ltd	22-3 to 31-3-03
Ulverstone	Camp Clayton	29-11 to 27-12-02
<b>Northern Territory</b>		
ABC Radio Darwin	ABC Radio Darwin	27 to 31-8-02

Table 6: Special events (television)  
in order of area served

Area served	Organisation	Period
<b>New South Wales</b>		
Eastern Creek	WF Sound Services	7 to 10–11–02
Eastern Creek	WF Sound Services	28–5 to 4–6–03
Eastern Creek	WF Sound Services	26–6–03
Oran Park	WF Sound Services	30–5 to 1–6–03
Goulburn	Bel-Pacific Pty Ltd	17–3 to 23–3–03
Wakefield Pk, Goulburn	Bel-Pacific Pty Ltd	17–4 to 21–4–03
Wakefield Pk, Goulburn	Bel-Pacific Pty Ltd	9 to 11–5–03
<b>Victoria</b>		
Flemington	Victoria Racing Club	16–9 to 14–10–02
Geelong	Geelong Racing Club	2 to 12–10–02
Willow Bank	WF Sound Services	27–4 to 1–5–03
<b>Queensland</b>		
Brisbane	Channel 7 Brisbane	17 to 21–4–03
Rockhampton	WIN Television	1 to 4–5–03
<b>South Australia</b>		
Phillip Island	Australian Grand Prix Corp	26–12 to 8–1–03
<b>Western Australia</b>		
Bunbury	Bunbury Turf Club	25 to 27–4–03
Pinjarra	Pinjarra Race Club	11–9 to 14–10–03
<b>Tasmania</b>		
Symmons Plains	Motorsports Tasmania Pty Ltd	9–3–03
<b>Northern Territory</b>		
Hidden Valley	Hidden Valley Promotions Pty Ltd	16 to 20–5–02
Hidden Valley	Hidden Valley Promotions Pty Ltd	16 to 20–5–02
Hidden Valley	Northern Territory Major Events	26–6–03
Hidden Valley	Northern Territory Major Events	26–6–03

Table 7: National radio services commenced

Area	Callsign	Frequency
Crookwell	ABCRN	107.7 MHz
Mt Dundas	ABCRN	92.5 MHz
Moura	ABCRR	96.1 MHz
Moura	ABCRN	96.9 MHz

Table 8: Test transmissions

Area	Organisation	Frequency	Period
<b>New South Wales</b>			
Bega	Bega Access Radio	93.7 MHz	11-4-02 to 10-7-02
Bega	Bega Access Radio	93.7 MHz	11-7-02 to 10-10-02
Bega	Bega Access Radio	93-7 MHz	11-10-02 to 10-10-03
Falls Creek	Goulburn & Border Broadcasters	94.1 MHz	28-5-02 to 27-11-02
Falls Creek	Goulburn & Border Broadcasters	94.1 MHz	28-11-02 to 27-11-03
Gore Hill	Free Broadcasters	94.5 MHz	12-9-03 to 1-4-03
Merriwa	ABC	91.5 MHz	24-2-03 to 24-2-04
Parkes, Forbes	2KY Broadcasters	99.9 MHz	3-6-02 to 2-9-02
Parkes, Forbes	2KY Broadcasters	99.9 MHz	3-9-02 to 31-12-03
Portland	ACE Radio Broadcasters Pty Ltd	93.7 MHz	3-4-03 to 12-4-03
Portland	ACE Radio Broadcasters Pty Ltd	93.7 MHz	9-5-03 to 8-11-03
Tenterfield	ABC	534.25 MHz	24-2-03 to 24-2-04
	Communications and Wireless	Ch 43	12-3-03 to 19-3-03
Wollongong	Macedonia Radio & TV	100.7 MHz	18-6-02 to 17-9-02
<b>Victoria</b>			
Healesville	Broadcast Australia	772.25 MHz	3-12-03 to 20-12-02
Warrnambool	Community Radio Endeavour	103.7 MHz	1-1-03 to 6-6-03
Warrnambool	Community Radio Endeavour	103.7 MHz	7-6-03 to 6-12-03
<b>Queensland</b>			
Brisbane	Channel 7 Brisbane	Ch 30	17-6-02 to 23-6-02
<b>South Australia</b>			
Bordertown	W & L Phillips Pty Ltd	92.1 MHz	19-7-02 to 18-7-03
Coonalpyn	W & L Phillips Pty Ltd	97.7 MHz	19-7-02 to 18-7-03
Kapunda	W & L Phillips Pty Ltd	95.3 MHz	19-7-02 to 18-7-03
Kingston SE	W & L Phillips Pty Ltd	107.3 MHz	19-7-02 to 18-7-03
Minlaton	W & L Phillips Pty Ltd	98.9 MHz	19-7-02 to 18-7-03
Maitland	W & L Phillips Pty Ltd	97.3 MHz	19-7-02 to 18-7-03
Mt Rufus	W & L Phillips Pty Ltd	99.5 MHz	19-7-02 to 18-7-03
innaroo	W & L Phillips Pty Ltd	96.5 MHz	19-7-02 to 18-7-03
<b>Western Australia</b>			
Narrogin	ABC	92.5 MHz	31-7-02 to 30-10-02
Perth	Curtin University of Technology	100.1 MHz	16-10-02 to 15-10-03
Perth	Western Australia Aboriginal Media	100.9 MHz	6-12-02 to 15-10-03
<b>Tasmania</b>			
Burnie	Burnie Broadcasting Service	101.7 MHz	15-2-03 to 14-5-03
Lileah	7DBS to Coastal FM	88.9 MHz	17-7-02 to 21-1-03
Lileah	Coastal FM	88.9 MHz	17-7-02 to 21-1-03
Queenstown	ABC	90.6 MHz	8-11-02 to 7-11-03

Table 9: Digital television licences issued

Area	Service	Date
<b>Australian Capital Territory</b>		
Tuggeranong	ABC	30-1-2003
Weston Creek/ Woden	ABC	30-1-2003
<b>New South Wales</b>		
Batemans Bay, Moruya	CBN	2-6-2003
Bouddi	Channel Seven Sydney Pty Ltd	17-12-2002
Bouddi	TCN Channel Nine Pty Ltd	9-1-2003
Bouddi	NBN	11-2-2003
Bouddi	Network Ten (Sydney) Pty Ltd	17-12-2002
Central Tablelands	WIN Television NSW	4-6-2003
Gosford	Network Ten (Sydney) Pty Ltd	17-12-2002
Gosford	Channel Seven Sydney Pty Ltd	17-12-2002
Gosford	TCN Channel Nine Pty Ltd	9-1-2003
Gosford	NEN	7-2-2003
Gosford	NBN	11-2-2003
Kotara	NBN	11-2-2003
Knights Hill	CTC	7-2-2003
Knights Hill	CBN	7-2-2003
Kings Cross	Channel Seven Sydney Pty Ltd	17-12-2002
Kings Cross	ABC	20-6-2002
Kings Cross	Network Ten (Sydney) Pty Ltd	9-12-2002
Kings Cross	TCN Channel Nine Pty Ltd	6-12-2002
Knights Hill	WIN Television NSW	22-1-2003
Lookout Hill	ABC – ABRV41	12-12-2002
Manly, Mosman	ABC	23-5-2002
Manly, Mosman	Network Ten (Sydney) Pty Ltd	9-12-2002
Manly, Mosman	Channel Seven Sydney Pty Ltd	17-12-2002
Manly, Mosman	TCN Channel Nine Pty Ltd	9-12-2002
Nowra North	ABC – ABWN66	13-1-2003
Starwell Tops	ABWN	17-11-2002
Starwell Tops	SBS	15-1-2003
Wagga Wagga	ABC	10-6-2003
Wagga Wagga	CTC	7-7-2003
Wyang	TCN Channel Nine Pty Ltd	9-1-2003
Wyang	Channel Seven Sydney Pty Ltd	17-12-2002
Wyang	Network Ten (Sydney) Pty Ltd	17-12-2002
Wyang	NEN	7-2-2003
Wyang	NBN	11-2-2003
Wyang	SBS	10-1-2003
<b>Victoria</b>		
Bendigo	ABC	14-1-2003
Bendigo	SBS	22-5-2003
Goulburn Valley	WIN Television Vic	26-2-2003



Table 9: Digital television licences issued (ctd)

Area	Service	Date
Goulburn Valley	ABC	30-1-2003
Horsham	ABC	11-2-2003
Horsham	ABC	11-2-2003
Latrobe Valley	ABC	11-2-2003
Latrobe Valley	SBS	22-5-2003
Mildura	ABC	11-2-2003
Mildura	STV	26-6-2003
Murray Valley	SBS	30-1-2003
Murray Valley	ABC	4-6-2003
Nhill	ABC	11-2-2003
Upper Murray/ Mt Baranduda	ATV	11-2-2002
Western Victoria	ABC	22-5-2003
Western Victoria	SBS	19-5-2003
<b>Queensland</b>		
Darling Downs	ABC – ABDQ37	20-3-2004
Darling Downs	RTQ	26-2-2003
Dulong, Nambour	SBS	14-1-2003
Gympie	STQ	3-4-2003
Gympie Town	STQ	3-4-2003
Gympie, Black Mountain	SBS	14-1-2003
Gympie, Tozier Hill	SBS	14-1-2003
Mackay	ABC	13-5-2005
Mackay	STQ	17-6-2003
Noosa / Tewantin	STQ	3-4-2003
Nambour	STQ	3-4-2003
Rockhampton	STQ	15-5-2003
Rockhampton	SBS	15-5-2003
Rockhampton	ABRQ	20-6-2003
Sunshine Coast	SBS	14-1-2003
Southern Downs	ABC	24-3-2003
Tewantin, Noosa	SBS	14-1-2003
Toowoomba	ABC	26-2-2003
Toowoomba	STQ	14-6-2002
Toowoomba	RTQ	22-4-2003
Wide Bay	ABC	13-5-2005
<b>South Australia</b>		
Spencer Gulf North	SBS	8-5-2003
Spencer Gulf North	ABC	13-5-2005
<b>Tasmania</b>		
North East Tasmania	ABC	14-1-2003
<b>Northern Territory</b>		
Darwin	NTD	26-2-2003

Table 10: Consequential analog changes

Callsign	Area	Channel changes	Reason
TVT	Toroona, Tas	VHF8 to UHF40	To avoid co-channel interference with digital service ABC8 Hobart
WIN	Nhill, Vic	VHF7 to UHF68	To avoid co-channel interference with digital service SBS7 Western Victoria
STQ	Moranbah, Qld	VHF11 to UHF46	To avoid co-channel interference with digital service ABC11 Rockhampton

Table 11: Black spots program

## Round one

Area served	No of services made available	Area served	No of services made available
<b>New South Wales</b>		Woronora	5
Adelong	3	<b>Victoria</b>	
Armidale	3	Aireys/Fairhaven	5
Batehaven	5	Anglesea	5
Batlow	5	Apollo Bay	3
Baywood	5	Boolarra	5
Berry	5	Buxton	1
Brewarrina	1	Cohuna	1
Cootamundra	5	Flowerdale/Hazeldine	4
Darby's Falls	5	Forrest	5
Drake	4	Freeburgh/Smoko	5
Eugowra	5	Geelong	5
Forster	5	Gellibrand	5
Glengarry & Grawin	4	Healesville	5
Gravesend	5	Lorne/Moggs	3
Hartley	4	Monbulk	5
Hillston	4	Mt Beauty	1
Junee	5	Murrayville	4
Kangaroo Valley	5	Omeo	3
Lismore East	5	Rosebud South	2
Mt George	5	Swifts Creek	
Mt Kembla	5	Taggerty	3
Narrandera	4	Tallangatta	5
Ocean Shores	5	Wye River	5
Old Bonalbo	5	<b>Queensland</b>	
Peak Hill	5	Agnes Waters	5
Portland	5	Alligator Creek	5
South Durras	5	Armstrong Beach	5
Talbingo	5	Buchan	4
Urbenville	4	Canungra	5
Warialda	5	Cardwell/Kennedy	2
Woodenbong	5	Conondale	5

Table 11: Black spots program  
Round one (ctd)

Area served	No of services made available	Area served	No of services made available
Crows Nest	5	Walpole	4
Dingo Beach	4	Wellstead	4
Dirranbandi	1	Youngs Siding (Albany West)	4
Flagstone	5	<b>Tasmania</b>	
Flame Tree/Jubilee Pocket	5	Derby	1
Flying Fish Point	5	Gunns Plains	4
Horshoe Bay	5	Hillwood	2
Kelso	5	Maydena	4
Little Mulgrave	5	Meander	2
Sarina/Middle Creek	5	Paloona	4
Miriam Vale/Bororen	4	Sisters Beach	4
Moranbah	1	<b>Northern Territory</b>	
Mossman	5	Borroloola	4
Mt Alford	5	Daly River	2
Mt Morgan	5	Galiwinku	1
Nelly Bay	5	Gapuwiyak	1
Paluma	5	Mt Nancy	4
Quilpie	2	Wadeye	1
Rathdowney	5	<b>Round two</b>	
Redlynch Valley	3	<b>Australian Capital Territory</b>	
Sarina	5	Conder	5
Somerset Dam	5	<b>New South Wales</b>	
Speewah	5	Bolivia	5
Toogoolawah	5	Bonny Hills	5
Warroo	1	Bunnan	5
Willows Gemfield	4	Cassilis	3
Yarrabah	5	Deepwater	4
<b>South Australia</b>		Elizabeth Beach	5
Kimba	3	Emmaville	2
Mannum	5	Goodooga	1
Melrose/Wilmington	3	Green Pigeon	4
Swan Reach	5	Gunning	5
Truro Grove	5	Kyogle	5
Wudinna	1	Long Flat	5
<b>Western Australia</b>		Maclean/Ahsby	5
Beach Park	4	Mallanganee	5
Carnarvon	1	Mannus	3
Denmark	4	Mooney Mooney	5
Dongara	4	Mudgee	5
Gracetown	4	Mullumbimby Creek	5
Manjimup	1	Nundle	4
Perth	5	Smiths Lake	5
Tambellup	4		

Table 11: Black spots program  
Round two (ctd)

Area served	No of services made available	Area served	No of services made available
Sofala	5	Moonford	5
Tabulam	5	Mossman South	5
Telegraph Point	5	Moura	4
Tottenham	3	Mt Garnett	3
Tullamore	5	Rosedale	5
Tullibigeal	4	Rossville	4
Uralla	5	Sapphire/Rubyvale	5
Wyangala	5	Stanage Bay	4
<b>Victoria</b>		Thangool	5
Bemm River	4	Theodore	3
Ensay	4	Tin Can Bay	5
Eskdale/Tallangatta	5	Turkey Beach	5
Jeeralang/Yinnar South	5	Willows Gemfield	4
Underbool	4	Wurdong Heights	5
Warrnambool	1	Yarwun/Targinnie	5
Yendon and Lal Lal	5	<b>South Australia</b>	
<b>Queensland</b>		Cape Jarvis	5
Alpha	4	Eudunda	5
Anakie	4	Haslam/Streaky Bay	1
Ayton	4	Lyndoch	5
Banana	5	Marion Bay	4
Bancroft	5	Marree	1
Bell	3	Myponga	5
Biloela	5	Orroroo	3
Bollon	1	Penong	1
Boyne Valley	5	Poochera	1
Byfield	5	Quorn	1
Carmila	4	Mt Hall	1
Chillagoe	2	Wirrulla	1
Coen	3	Wudinna/Minnipe/ Warrambo	3
Colston Park	5	Yalata	2
Comet	4	<b>Tasmania</b>	
Daintree Village	4	Blackstone	4
Glen Alice/Bogee	4	Currie	3
Greenvale	2	Eaglehawk Neck	4
Jericho	2	Little Swanport	4
Lakeland	4	Naracoopa	3
Langley/Kapaldo		Neika/Leslie Vale	4
Lowmead	4	Port Arthur	4
Mapoon	2	Ringarooma/Ledgerwood	3
Maroon	5	St Helens	1
Millstream Estate	4	Wilmot	4

Table 11: Black spots program  
Round two (ctd)

Area served	No of services made available	Area served	No of services made available
<b>Western Australia</b>		Narabbeen	1
Baynton	4	Northcliffe	4
Beacon	1	Ongerup	1
Beagle Bay	2	Onslow	1
Bencubbin	1	Paraburdoo	1
Boddington	4	Peaceful Bay	4
Borden	1	Point Henry	1
Bremer Bay	1	Quinninup	4
Bruce Rock	1	Tjuntjuntjara	2
Burringurrah	2	Tom Price	1
Coolgardie	4	Warmun	2
Dalwallinu	3	Yungngora	2
Gairdner	1	<b>Northern Territory</b>	
Gnowangerup	1	Angurugu	3
Jerramungup	1	Elliott	4
Kalumburu	2	Laramba	1
Katanning	1	Minjilang/Crocker Island	3
Kellerberrin	1	Mt Liebig	1
Kulin	1	Nganmarriyan	1
Looma	3	Nyirripi	2
Marvel Loch	3	Timber Creek	4
Mataranka	1	Umbakumba	1
Merredin	1	Yarralin	4
Mullewa	1	Yuelamu	4
Muradup	4		

Table 12: Areas where planning was completed, but the application requires further work because of requested changes

Area served	No of services made available	Area served	No of services made available
<b>New South Wales</b>		<b>Queensland</b>	
Talbingo	2	Tully Valley	5
Megalong Valley	5	Tully Heads	5
Patonga	5	Agnes Waters	5
Booral/Stroud	5		
Glen Davis	4		

## Appendix 8

### Commonwealth disability strategy

The ABA supports the Commonwealth Government's vision of increasing opportunities for people with disabilities by helping to develop and deliver policies, programs and services that are accessible and that promote independence and participation.

As a regulator of broadcasting services

The ABA ensures the following.

- Ninety per cent of publicly available information about regulations and quasi-regulations is available in accessible electronic formats: PDF (Adobe Acrobat Reader version 5), RTF or HTML. All publicly available information is available, upon request, in accessible non-electronic formats. In 2002–03, the ABA received no requests for information about regulations and quasi-regulations to be provided in accessible electronic or non-electronic formats.
- Through the ABA's web site, 80 per cent of electronic information has been converted to the latest version of PDF document (Adobe Acrobat Reader version 5), which is compliant with disability softwares.
- Amongst our industry codes of practice, one of the 11 codes specifically sets out how people with disabilities may make a complaint about a broadcaster. Electronic forms for lodging complaints in relation to regulations are made available to people with disabilities.

The ABA has surveyed the complaints-handling procedures of commercial television licensees, including how they deal with complainants with a disability such as the impairment of vision or hearing. Sixty-two per cent of licensees described specific procedures, which include such things as protocols for handling

complaints from viewers with a hearing impairment, the use of a telephone-typewriter facility, and the National Relay Service.

#### As a provider of services

The ABA has established the following:

- quality improvement and assurance systems which focus on people and resource management, and communication and information technology strategies which meet the needs of internal and external stakeholders
- a service charter that complies with the ABA's Access and Equity Plan and Disability Action Plan, with a commitment to providing facilities for people with disabilities.

#### As a policy advisor

The ABA has achieved the following:

- developed no new or revised policy/program proposals, because impact assessments on the lives of people with disabilities before decision were not required; consequently in 2002–03 consultations with people with disabilities were not warranted
- made available in accessible electronic formats on its web site all announcements about licence area plans and digital channel plans.

As a purchaser of goods and services, the ABA did not engage in any purchasing processes during 2002–03 that had a direct impact on the lives of people with disabilities. Information for the public on purchasing specifications is not available in accessible electronic or non-electronic formats. ABA purchasing specifications are based on a standard contract which does not refer to the *Disability Discrimination Act 1992*.

## As an employer

The ABA has ensured the following.

- Employment policies, procedures and practices meet the requirements of the Disability Discrimination Act.
- Employment policies and procedures are covered by the Certified Agreement. The Workforce Diversity program, the Performance and Development Framework, and the ABA Human Resource Development Plan facilitate the integration and linkages of employment policies and procedures with diversity principles including disability access and equity.
- Recruitment information for potential job applicants is available in accessible formats on request.
- All recruitment information is available in accessible electronic formats at the time of advertising. It is not available in other formats. In 2002–03, no requests were received.
- Agency recruiters and managers apply the principle of 'reasonable adjustment'.
- The current ABA Staff Selection Guidelines provide assistance on workplace diversity and equity including reasonable adjustment. Comprehensive information on reasonable adjustment for the interview process is not made available to convenors or managers.
- Training and development programs consider the needs of staff with disabilities.
- Training and development is devolved to the ABA's branches. Attendance at courses is predominantly through public programs where consideration of the needs of staff with disabilities can be negotiated with the training provider. The ABA Human Resource Development Plan supports cultural and linguistic diversity and disability awareness as essential components of all training.
- Mechanisms for complaints and grievances, including access to external mechanisms, are in place to address issues raised by staff.
- Dispute resolution procedures and reviews of decisions affecting employment are outlined in the Certified Agreement in accordance with the *Public Service Act 1999*. Another internal mechanism is the Workplace Harassment Prevention Policy, which guides the management of complaints relating to harassment, intimidation and discrimination.
- External mechanisms for reviewing decisions by the Australian Public Service Commissioner are also in operation. Other avenues of external address include the Human Rights and Equal Opportunity Commission, the Privacy Commissioner, and the Commonwealth Ombudsman.

## Goals for 2003–04

- All reports concerning regulatory compliance are to be posted on the ABA's website within five working days of their completion.
- All customers requesting information on regulations and quasi-regulations in accessible formats (other than electronic) will be advised of the expected delivery date of their preferred format within five days of the request.
- Electronic forms for lodging complaints in relation to regulations will be made available to people with disabilities.
- All requests for electronic information on regulatory compliance reporting are to be fulfilled within two weeks.
- All customers requesting information on regulatory compliance reporting in accessible formats (other than electronic) will be advised of the expected delivery date of their preferred format within five days of the request.

- In developing research projects, the ABA's Policy and Research section will continue to consider the impact of broadcasting policy initiatives on people with disabilities (as per the example given earlier of the complaints handling survey of commercial television licensees).
- All ABA survey data collected by the Policy and Research section will, where relevant, include information about the needs of people with disabilities.
- There is to be an increase in the number of industry codes of practice that specifically advise people with disabilities how to make a complaint against a broadcaster.
- Advertisements for in-house training programs are to include information about the needs of people with disabilities.
- The ABA recruitment web site is to be revamped to include information on reasonable adjustment.



## Appendix 9

### Publications 2002–03

The ABA makes all discussion and working papers about issues on which it is publicly consulting freely available to the public, in printed form and on its website.

#### Pamphlets

*ABA Service Charter*, July 2002

*An Introduction to the ABA*, reprinted October 2002

*Complaints about Programs*, October 2002, reprinted May 2003

*Cybersmart: Help your kids make the most of the internet – safely*, reprinted April 2003

*Cybersmart; Tips to help you chat safely*, December 2002, reprinted April 2003

*Cybersmart: Tips for kids*, reprinted November 2002, reprinted April 2003

*Cybersmart: Tips for using filters*, reprinted November 2002, reprinted April 2003

*Cybersmart: Tips for dealing with spam* September 2002, reprinted November 2002, reprinted April 2003

#### Information products

*Annual Report 2001–02*, October 2002

*AB. Corporate Plan*, December 2002

*Broadcasting Financial Results 2001–02*, April 2003

*Commercial and Community Licence Areas*, April 2003

*Making Waves – The Growth of Radio in Australia*, May 2003

*Radio and Television Broadcasting Stations 2002*, August 2002

*Review of Australian Content on Subscription Television*, December 2002

*Review of the Australian Content Standard – Proposed Amendments*, July 2002

*Variation to the Australian Content Standard*, December 2002

#### Investigation reports

*Accuracy of local news and information programs on commercial television services in Regional Queensland, Northern NSW, Southern NSW and Regional Victoria*, August 2002

*Investigation into Adelaide Community and Educational Television Inc (ACE TV)*, December 2002

*Investigation regarding Channel 31 Sydney, Channel 31 Melbourne and Renaissance Television*, March 2003

*Investigation into matters relating to the control of the 2GB and 2CH licences*, May 2003

#### Licence applications, guides and forms

*ABA Form 12*, December 2002

*ABA Form 61*, December 2002

*Community Television Information Kits*, February 2003

*Guidelines for Broadcasting Announcements and Other Promotional Material on Community Radio*, November 2002

*Price-based Allocation of Open Narrowcasting Licences, Part 3, Round 10A* July 2002

*Price-based Allocation of Open Narrowcasting Licences, Parts 1 & 2*, March 2002

#### Research

*Community Attitudes to Violence on Free-to-Air Television*, March 2003

*Digital Television in Australia: 2002 Industry Survey*, February 2003

#### Newsletter

*ABA Update*

issue 111 July 2002

issue 112 August 2002

issue 113 September 2002

issue 114 October 2002  
issue 115 November 2002  
issue 116 December 2002/January 2003  
issue 117 February 2003  
issue 118 March 2003  
issue 119 April 2003  
issue 120 May 2003  
issue 121 June 2003

*Cybersmart* issue 1 February 2003

## Digital channel plans

### Draft digital channel plans

Remote and Regional Western Australia – November 2002

### Draft variation to digital channel plans

Brisbane, Gold Coast, Sunshine Coast – May 2003

Inland New South Wales: Part 5 – May 2003

NSW Part 1 (Wollongong) – May 2003

Regional Queensland – May and June 2003

Tasmania – May 2003

### Final digital channel plan variations

Inland NSW – July 2002

Tasmania – July 2002

## Licence area plans

Final licence area plans – analog radio

Community radio, Vic – December 2002

### Final licence area plans – analog television

Adelaide, SA – November 2002

Brisbane, Qld – November 2002

Melbourne, Vic – November 2002

Sydney, NSW – November 2002

Tasmania – July 2002

### Draft licence area plans – analog television

Northern NSW – May 2003

Regional Queensland – May 2003

### Final variations to licence area plans – analog radio

Adelaide, SA – September 2002 and March 2003

Emerald, Qld – September 2002 and April 2003

Gold Coast, Qld – March 2003

Hobart, Tas – March 2003

Karratha, WA – May 2003

Mildura, Vic – October 2002

Mt Gambier, SA – November 2002

Melbourne, Vic – December 2002

Parkes, NSW – October 2002

Port Hedland, WA – May 2003

Remote North East Zone – August 2002

Remote Western Australia – May 2003

### Draft variations to licence area plans – analog radio

Adelaide, SA – July 2002 and February 2003

Emerald, Qld – July 2002

Gold Coast, Qld – December 2002

Hobart, Tas – February 2003

Innisfail, Qld – March 2003

Karratha, WA – February 2003

Mildura, Vic – August 2002

Mt Gambier, SA – October 2002

Parkes, NSW – September 2002

Port Hedland, WA – February 2003

Remote Western Australia – February 2003

Spencer Gulf, SA – May 2003

## Appendix 10

### Legislation

The ABA performs its principal functions under the following legislation.

<b>Acts and amending Acts 2002–03</b>	<b>Act number</b>	<b>Date of assent</b>	<b>Date of commencement</b>
<i>Broadcasting Services Act 1992</i> as amended in 2002–03 by:	110, 1992	14 July 1992	
<i>Financial Sector (Collection of Data – Consequential and Transitional Provisions) Act 2001</i>	121, 2001	24 September 2001	1 July 2002 [All items other than Schedules 1–3]
<i>Broadcasting Legislation Amendment Act (No.2) 2002</i>	120, 2002	2 December 2002	2 December 2002 30 December 2002 [Schedules 1 and 2]
<i>Broadcasting Legislation Amendment Act (No.1) 2002</i>	126, 2002	10 December 2002	10 December 2002
<i>Broadcasting Legislation Amendment Act (No.1) 2003</i>	4, 2003	26 February 2003	26 February 2003
<i>Datacasting Charge (Imposition) Act 1998</i>	98, 1998	27 July 1998	
<i>Interactive Gambling Act 2001</i>	84, 2001	11 July 2001	
<i>Radiocommunications Act 1992</i> as amended in 2002–03 by:	174, 1992	11 December 1992	
<i>Statute Law Revision Act 2002</i>	63, 2002	3 July 2002	1 July 1999 [Schedule 1, item 28]
<i>Broadcasting Legislation Amendment Act (No.2) 2002</i>	120, 2002	2 December 2002	2 December 2002 30 December 2002 [Schedules 1 and 2]
<i>Radio Licence Fees Act 1964</i>	119, 1964	24 November 1964	
<i>Telecommunications Act 1997</i> as amended in 2002–03 by:	47, 1997	22 April 1997	
<i>Statute Law Revision Act 2002</i>	63, 2002	3 July 2002	16 December 1997 [Schedule 2, item 31] 1 July 1999 [Schedule 1, item 33]
<i>Australian Crime Commission Establishment Act 2002</i>	125, 2002	10 December 2002	1 January 2003 [Schedule 2, items 188, 189]
<i>Telecommunications Competition Act 2002</i>	140, 2002	19 December 2002	19 December 2002
<i>Telecommunications (Consumer Protection and Service Standards) Act 1999</i>	50, 1999	5 July 1999	
<i>Television Licence Fees Act 1964</i>	118, 1964	24 November 1964	

## Appendix 11

### Litigation summary

#### Federal Court proceedings

##### **TCN Channel Nine Pty Limited, Queensland Television Limited and Channel 9 South Australia Pty Limited v Australian Broadcasting Authority**

TCN Channel Nine Pty Limited, Queensland Television Limited and Channel 9 South Australia Pty Limited applied to the Federal Court for review of the ABA's decision that they had breached a condition of their commercial television broadcasting licences by broadcasting a tobacco advertisement in contravention of the *Tobacco Advertising Prohibition Act 1992*. The tobacco advertisement was broadcast on two separate occasions by the licensees during the *Sixty Minutes* program: in a profile of the actor Russell Crowe, and in the 'Mailbag' segment of the following week's program. It was the latter broadcast that the ABA found to breach the licence condition. The applicants argued that the ABA had made four errors of law in reaching its decision, had taken into account an irrelevant consideration, and/or had reached a decision that was so unreasonable that no reasonable person could have made it. On 18 July 2002, the Federal Court dismissed the application.

##### **Macquarie Radio Network Pty Limited, Radio 2CH Pty Limited and Harbour Radio Pty Limited v Australian Broadcasting Authority**

Macquarie Radio Network Pty Ltd, Radio 2CH Pty Ltd and Harbour Radio Pty Ltd sought an injunction to prevent the ABA publishing the terms of reference of its investigation into the control of two commercial radio broadcasting licences in Sydney: 2GB and 2CH. The applicants discontinued their action on 13 November 2002.

##### **Wyong–Gosford Progressive Community Radio Inc. v Australian Broadcasting Authority and anor**

Wyong-Gosford Progressive Community Radio Inc. commenced action to set aside the ABA's decision allocating a permanent community radio broadcasting licence in the Gosford area, claiming that there had been a breach of the rules of natural justice. The licence was allocated to Gosford Christian Broadcasters Ltd, which had been given permission by the ABA to file a late application. The ABA had not given the applicant an opportunity to make submissions on the question of whether or not it should accept a late application, or to consider the application and make submissions on its merits. The Federal Court set aside the ABA's decision on 31 January 2003.

#### Federal Magistrates Court proceedings

##### **Cadence FM Inc. v Australian Broadcasting Authority**

Cadence FM Inc. sought review of the ABA's decision not to allocate it a permanent community radio broadcasting licence in the South Hobart area. The applicant did not file an amended application and affidavit, as directed by the magistrate, and the application was dismissed by consent on 1 April 2003.

#### Administrative Appeals Tribunal proceedings

##### **Star Broadcasting Network Pty Ltd v the Australian Broadcasting Authority**

On 16 September 2002, Star Broadcasting Network Pty Ltd applied to the Administrative Appeals Tribunal for review of the ABA's decision to impose an additional condition on its commercial radio broadcasting licence for the Ipswich licence area. The ABA's decision has been stayed by consent, pending the determination of the application. The parties are awaiting advice as to a date for the hearing.

## Appendix 12

### ABA service charter

#### Consultation

<b>Commitment</b>	<b>Performance measure</b>	<b>Measurement method</b>	<b>Responsible area</b>
Consult with industry and public on planning of new broadcasting services	Detail consultation process in advance (as part of business plan)	Check actual consultation against plan	Consultation was carried out as per statutory requirements and business plan.
Consult with industry and public on the development of program standards for broadcasters	Detail consultation process in advance (as part of business plan)	Check actual consultation against plan	Consultation was conducted as specified in the agreed business plan (e.g. review of the Australian Content Standard).
Consult with industry and public on the imposition of conditions on licences	Detail consultation process in advance (as part of business plan)	Check actual consultation against plan	The ABA imposed licence conditions on 13 regional commercial television services. It consulted as per statutory requirements and business plan. A licence condition was also imposed on a commercial radio broadcasting licence under section 43 of the Broadcasting Services Act. The ABA gave the licensee a reasonable opportunity to make representations in relation to the proposed condition and published the proposed condition in the <i>Gazette</i> as required under the Act.
Consult with industry and public in the course of major investigations	Detail consultation process in advance (as part of business plan)	Check actual consultation against plan	Consultation was carried out as per business plan.
Consult with industry and public on other matters	Detail consultation process in advance (as part of business plan)	Check actual consultation against plan	Consultation was conducted as specified in the agreed business plan and according to legislative requirements for the review of a class licence for open narrowcasting services under section 120 of the Broadcasting Services Act.

## Accessibility

We will endeavour to make dealing with us as easy as possible. When contacting us we will:

Commitment	Performance measure	Measurement method	Responsible area
Provide access to services by free call phone number (1800 226667) and online access via the web site (www.aba.gov.au)	<p>1. How many times and for how long freecall number or web site is not available.</p> <p>2. Number of calls on free call line and number of page views and downloads on web site</p>	<p>1. Telstra and ISP</p> <p>2. Telstra for free calls and stats package for web stats</p>	<p>The ABA's Freecall number was available throughout the year. The web site was unavailable for roughly eight times during the year for about five minutes each time when the ABA needed to reboot the server.</p> <p>Callers accessed the ABA number 12 078 times in the period 1 June 2002 – 30 May 2003. As to the total page views and total downloads, for the period 1 July 2002 – 30 June 2003, it was 1 965 937 page views and 1 189 940 downloads.</p>
Ensure a switchboard operator is available to answer your call between 8.30 am and 5 pm each working day	<p>1. Number of times switchboard closed</p> <p>2. Number of calls to switchboard</p>	Telstra	The ABA switchboard was open each working day between 8.30 am and 5 pm and received 13 600 calls in the reporting period.
Ensure that in most circumstances, staff members are contactable by phone, fax, in person or by email during our normal business hours	Contactability – by exception e.g. complaints	Contactability – by exception e.g. complaints	No complaints received.
Ask individual staff to identify themselves to you over the phone and in person and include a contact name and phone number in ABA letters	<p>Number of calls answered by staff – percentage identifying themselves.</p> <p>Number of letters sent – percentage including contact name and phone number</p>	<p>Survey random sample of files for percentage of letters with contact details. Describe how sample selected</p>	100 per cent compliance. Protocol incorporates a process whereby all contact details are included in correspondence and staff identify themselves when answering phones. Random sample of 34 files chosen. Random sample of 3 or 5 letters per file checked.
Provide TTY service (02 9334 7777) access for people with a disability and interpreter services if required	<p>1. Number of times TTY service not available.</p> <p>2. Number of calls to TTY service</p>	1 & 2. TTY service provider	Due to technical and operational difficulties, the ABA did not provide access to a TTY service in 2002–03. It is looking at ways of resuming this service in 2003–04.

## Quality service

We will provide accurate advice and information in plain English and will respect your right to privacy. We will treat you fairly and courteously and will:

<b>Commitment</b>	<b>Performance measure</b>	<b>Measurement method</b>	<b>Responsible area</b>
Address your inquiry as promptly and comprehensively as possible to maximise convenience and minimise time and cost when dealing with us	Number of queries answered and average time taken to respond to each (phone/fax/email/letter)	Survey of files – random sample. Describe methodology	ABA sections surveyed a number of files to test their performance against this standard. The average response time for letters ranged from 4.6 to 7.1 working days.
Demonstrate awareness of commercial sensitivity and issues of confidentiality	By exception	Number of complaints received. Examples demonstrating awareness of issue	No complaints received. Confidential and commercially sensitive files kept in locked cupboards or safe.
Act consistently with our Access and Equity Plan and Disability Access Plan	By exception	Number of complaints received. Examples demonstrating awareness of issue	No complaints received. The Cybersmart Kids site design requirements required that it should meet international usability standards and comply with Australian Government online policies. As a result, the site has been created as a basic HTML site. The ABA has been concerned not to use plug-in software (for example, Flash) that does not translate easily to a text-only environment. The ABA was also aware of this issue in designing its complaints handling survey. The survey collected data on the commercial television industry's approach to handling complaints, including dealing with complaints from viewers with a disability.

## Standards

Our goals for providing service are to:

Commitment	Performance measure	Measurement method	Responsible area
<p>(a) Respond to phone and voice mail messages as soon as we can but no later than two working days. (b) If the message relates to a complaint about broadcast matter we will provide relevant information and forward material as appropriate within two working days</p>	<p>(a) By exception b) Percentage of messages relating to a complaint about broadcast matter responded to by providing relevant information within two working days</p>	<p>(a) Number of complaints received. (b) Random sample. Describe methodology</p>	<p>(a) No complaints received. (b) In the period between 1 July 2002 and 30 June 2003 the Investigations Section provided information and/or forwarded appropriate material in response to 1574 phone and voicemail messages relating to broadcasting complaints. This information was obtained from the Investigation Section's telephone complaints database. As the database does not capture information about the timeframes for completing this action, it is not possible to provide percentages of messages responded to or material forwarded within two working days. However, the Investigation Section's work practice ensures compliance with this charter standard: there is a daily routine for clearance of voicemail messages and the forwarding of requested material, and this timeframe is regularly reviewed at section meetings.</p>
<p>Acknowledge requests made by letter, email and fax within seven days of receipt. We will exercise discretion in our right to reply and will not normally respond individually to standard form letters. We will however, respond to the organisation on whose behalf the letters were written</p>	<p>Percentage of requests made by letter, email and fax acknowledged within seven days of receipt</p>	<p>Survey of files – random sample. Describe methodology</p>	<p>ABA sections carried out random assessment of letters from inquiry files. Compliance rates included 100 per cent, 97 per cent, 97 per cent, 96.7 per cent, 95 per cent and 78 per cent.</p>
<p>Acknowledge public submissions to inquiries and investigations within fourteen days of receipt</p>	<p>Percentage of public submissions acknowledged within fourteen days of receipt</p>	<p>An electronic template on the LAN can be developed for acknowledgement letters. If this were to be done, it would be possible to track response times using AIMS. Until then, survey of files – random sample. Describe methodology</p>	<p>100 per cent compliance. Survey of files, letters and submissions.</p>



Commitment	Performance measure	Measurement method	Responsible area
Take action in relation to complaints about Internet content within two working days	Percentage of complaints about Internet content acted on within two working days	System already in place	Automated response system means all complainants receive immediate acknowledgement of complaint. Random sample of five complaints per month indicates action on 83 per cent of complaints was initiated within two working days.
Provide a substantive response on most matters within 28 days, but if this is not possible keep you informed of progress	Percentage of inquiries dealt with substantively within 28 days	Survey of files – random sample	Sections of the ABA surveyed general complaint/ inquiry files and random sample of responses were chosen from each file to determine the average time taken to respond. Compliance rates included 100 per cent, 100 per cent, 100 per cent and 97 percent.
Provide a decision on children's program classification within 60 days of receiving the application	Percentage of children's program classifications decided within 60 days of receiving the application	AIMS	59 of 62 programs assessed within 60 day timeframe (95 per cent met timeframe).
Investigate complaints against broadcasters within an appropriate timetable developed by the ABA and keep you informed of progress	Percentage of applications for which a timeframe is developed	AIMS	<p>The timeframe that has been developed applies to 100 per cent of applications investigated. Investigations are determined as 'priority' or 'non-priority' matters with the following timeframes:</p> <ul style="list-style-type: none"> <li>• 100 per cent of priority investigations must be completed within six months</li> <li>• 75 per cent of non-priority investigations must be completed within three months.</li> </ul> <p>Of the 22 priority investigations completed in the 12 months to 30 June 2003, 21 (95.5 per cent) were completed within six months. Of the 84 non-priority investigations completed in the same period, 67 (79.8 per cent) were completed within three months.</p> <p>According to information recorded on the Complaints Database, in the period 1 July 2002 to 30 June 2003, the Investigations Section of the ABA received 605 letters of complaint. Of these:</p> <ul style="list-style-type: none"> <li>• 495 did not result in an investigation by the ABA and</li> <li>• 110 raised issues that the ABA investigated – representing 18.2 per cent of the total 605 received.</li> </ul> <p>Regarding the 110 letters, 13 of these related to similar issues, resulting in 97 investigations in total.*</p> <hr/> <ul style="list-style-type: none"> <li>• This figure does not include investigations commenced by sections other than the Investigations Section or investigations initiated by the ABA.</li> </ul>

Commitment	Performance measure	Measurement method	Responsible area
Deal with applications within statutory timeframes or, when there is no such timeframe, develop an appropriate timetable for response and inform you of the timetable	Percentage of applications dealt with within statutory timeframes. Where there is no statutory timeframe, percentage of applications for which a timeframe is developed	AIMS	100 per cent of applications for licences were dealt with prior to the date the applicant wanted to commence their service. All commercial implementation plans are assessed prior to commencement of services, whilst national implementation plans are assessed within six weeks of receipt of complete information. All applications for variations to LAPs and DCPs are dealt with on a priority basis, with applicants being informed of timetables. In the period 1 July 2002 to 30 June 2003 the ABA received five applications under section 21 of the Act asking the ABA to decide on the category of broadcasting service into which a potential or existing service falls. Of these, one application received on 6 June 2003 remains under consideration, while four were dealt with inside statutory timeframes. This information was obtained from the ABA's section 21 opinions database.

## Appendix 13

### Financial statements



## **INDEPENDENT AUDIT REPORT**

**To the Minister for Communications, Information Technology and the Arts**

### **Scope**

I have audited the financial statements of the Australian Broadcasting Authority for the year ended 30 June 2003. The financial statements comprise:

- Statement by Members;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Commitments, Contingencies and Administered Items; and
- Notes to and forming part of the Financial Statements.

The Members of the Australian Broadcasting Authority are responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

The audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with my understanding of the Australian Broadcasting Authority's financial position, its financial performance and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

PO Box A456 Sydney South NSW 1235  
130 Elizabeth Street  
SYDNEY NSW  
Phone (02) 9367 7100 Fax (02) 9367 7102

**Audit Opinion**

In my opinion the financial statements:

- (i) have been prepared in accordance with Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*; and
- (ii) give a true and fair view, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Finance Minister's Orders, of the financial position of the Australian Broadcasting Authority as at 30 June 2003, and its financial performance and cash flows for the year then ended.

Australian National Audit Office



P Hinchey  
Senior Director

Delegate of the Auditor-General

Sydney  
23 September 2002

**AUSTRALIAN BROADCASTING AUTHORITY  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003**

**STATEMENT BY MEMBERS**

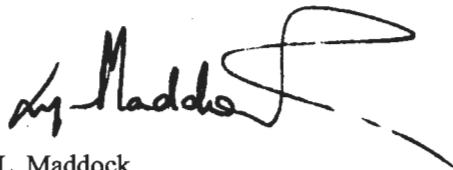
In our opinion, the attached financial statements for the year ended 30 June 2003 give a true and fair view of the matters required by the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they become due and payable.



D. Flint  
Chairman

23 September 2003



L. Maddock  
Deputy Chair

23 September 2003

**AUSTRALIAN BROADCASTING AUTHORITY**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**for the year ended 30 June 2003**

	Notes	2003 \$	2002 \$
<b>Revenues from ordinary activities</b>			
Revenues from Government	4A	15,509,000	15,750,000
Sales of goods and services	4B	158,555	216,682
Interest	4C	52,956	135,165
Revenue from sale of assets	4D	21,982	827
Other	4E	651,373	1,949,567
<b>Revenues from ordinary activities</b>		<b>16,393,866</b>	<b>18,052,241</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>			
Employees	5A	10,190,164	10,327,209
Suppliers	5B	6,091,402	6,924,824
Depreciation and amortisation	5C	815,996	590,696
Write-down of assets	5D	200	11,615
Value of assets sold	4D	3,330	1,357
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>		<b>17,101,092</b>	<b>17,855,701</b>
<b>Borrowing costs expense</b>	6	<b>47,312</b>	<b>61,017</b>
<b>Net surplus / (deficit)</b>		<b>(754,538)</b>	<b>135,523</b>
<b>Net debit to asset revaluation reserve</b>	13	<b>(94,595)</b>	-
<b>Total revenues, expenses and valuation adjustments attributable to the Commonwealth Government and recognised directly in equity</b>		<b>(94,595)</b>	-
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b>(849,133)</b>	<b>135,523</b>

The above statement should be read in conjunction with the accompanying notes.

**AUSTRALIAN BROADCASTING AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
as at 30 June 2003

	Notes	2003 \$	2002 \$
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash	7A	366,890	1,843,678
Receivables	7B	1,430,787	159,842
<i>Total financial assets</i>		<u>1,797,677</u>	<u>2,003,520</u>
<b>Non-financial assets</b>			
Land and buildings	8A, 8D	625,102	3,573
Infrastructure, plant and equipment	8B, 8D	811,019	1,180,121
Intangibles	8C, 8D	2,106,868	1,994,482
Other	8E	266,315	512,115
<i>Total non-financial assets</i>		<u>3,809,304</u>	<u>3,690,291</u>
<b>TOTAL ASSETS</b>		<u><b>5,606,981</b></u>	<u><b>5,693,811</b></u>
<b>LIABILITIES</b>			
<b>Interest bearing liabilities</b>			
Leases	9	574,079	901,956
Other	10	646,905	-
<i>Total interest bearing liabilities</i>		<u>1,220,984</u>	<u>901,956</u>
<b>Provisions</b>			
Employees	11	3,257,686	2,964,872
Capital Use Charge	11B	-	14,908
<i>Total provisions</i>		<u>3,257,686</u>	<u>2,964,872</u>
<b>Payables</b>			
Suppliers	12A	366,146	456,636
Other Creditors	12B	441,936	292,412
GST Payable	12C	115,266	8,931
<i>Total payables</i>		<u>923,348</u>	<u>757,979</u>
<b>TOTAL LIABILITIES</b>		<u><b>5,402,018</b></u>	<u><b>4,624,807</b></u>
<b>NET ASSETS</b>		<u><b>204,963</b></u>	<u><b>1,069,004</b></u>
<b>EQUITY</b>			
Reserves	13	57,745	152,340
Accumulated surplus	13	147,218	901,756
<b>TOTAL EQUITY</b>		<u><b>204,963</b></u>	<u><b>1,054,096</b></u>
<b>Current assets</b>		2,063,992	2,511,135
<b>Non-current assets</b>		3,542,989	3,182,676
<b>Current liabilities</b>		2,245,435	2,750,533
<b>Non-current liabilities</b>		3,156,583	1,889,182

The above statement should be read in conjunction with the accompanying notes.



**AUSTRALIAN BROADCASTING AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
for the year ended 30 June 2003

	Notes	2003 \$	2002 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		15,154,000	15,750,000
Interest		60,793	138,886
Goods and services		133,722	329,724
GST received from ATO		534,085	752,261
Other		800,898	2,100,391
<b>Total cash received</b>		<u>16,683,498</u>	<u>19,071,262</u>
<b>Cash used</b>			
Employees		(9,626,343)	(10,378,748)
Suppliers		(7,132,355)	(7,848,228)
Borrowing costs		(47,312)	(61,017)
<b>Total cash used</b>		<u>(16,806,010)</u>	<u>(18,287,993)</u>
<b>Net cash from operating activities</b>	14	<u>(122,512)</u>	<u>783,269</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant & equipment		21,982	160,827
<b>Total cash received</b>		<u>21,982</u>	<u>160,827</u>
<b>Cash used</b>			
Purchase of property, plant & equipment		(1,623,565)	(10,519)
Purchase of intangibles		(455,108)	(1,822,267)
<b>Total cash used</b>		<u>(2,078,673)</u>	<u>(1,832,786)</u>
<b>Net cash used in investing activities</b>		<u>(2,056,691)</u>	<u>(1,671,959)</u>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from lease Incentive		717,323	-
<b>Total Cash received</b>		<u>717,323</u>	<u>-</u>
<b>Cash Used</b>			
Capital Use charge paid		(14,908)	-
<b>Total cash used</b>		<u>(14,908)</u>	<u>-</u>
<b>Net Cash used from financing activities</b>		<u>702,415</u>	<u>-</u>
<b>Net decrease in cash held</b>			
Cash at the beginning of the reporting period		1,843,678	2,732,368
<b>Cash at the end of the reporting period</b>	7A	<u>366,890</u>	<u>1,843,678</u>

The above statement should be read in conjunction with the accompanying notes.

**AUSTRALIAN BROADCASTING AUTHORITY**  
**SCHEDULE OF COMMITMENTS**  
as at 30 June 2003

	2003	2002
	\$	\$
<b>BY TYPE</b>		
<b>Capital commitments</b>		
Financial Management Systems	140,606	-
Software in development (1)	128,696	461,328
<b>Total capital commitments</b>	<u>269,302</u>	<u>461,328</u>
<b>Other Commitments</b>		
Operating leases (2)	3,628,527	3,018,721
Other commitments (3)	1,684,486	2,298,361
<b>Total other commitments</b>	<u>5,313,013</u>	<u>5,317,082</u>
<b>Commitments receivable</b>		
GST Receivable	(496,229)	(371,670)
Operating leases - sub tenants	(8,774)	(103,207)
<b>Total commitments receivable</b>	<u>(505,003)</u>	<u>(474,877)</u>
<b>Net commitments</b>	<u>5,077,312</u>	<u>5,303,533</u>
<b>BY MATURITY</b>		
<b>Capital commitments</b>		
One year or less	244,820	419,389
From one to five years	-	-
Over five years	-	-
<b>Operating lease commitments</b>		
One year or less	948,128	1,785,107
From one to five years	2,222,568	959,190
Over five years	145,790	-
<b>Net commitments by maturity</b>	<u>3,561,306</u>	<u>3,163,686</u>

NB: Commitments are GST inclusive where relevant

- 1 Outstanding contractual payments for software in development and new finance system.
- 2 Operating leases see list below.
- 3 Other commitments includes IT Lease, software maintenance and consulting.

<i>Nature of lease</i>	<i>General description of leasing arrangement</i>
Lease for office accommodation	Lease payments are subject to fixed annual increases in accordance with term of the lease agreement. The periods of office accommodation leases are fixed for 7 years.
Leases of motor vehicles	No contingent rentals exist. There are no renewal or purchase options available to the Authority.
Leases of computer equipment	The Lessor provides all computer equipment and software designated as necessary in the supply contract for five years plus for a further two years at the Authority's option on the same terms and conditions. The initial equipment has on average a useful life of 1 year for the desktops and two years for printers.
Sydney Accommodation	At the reporting date negotiations were under way for renewal of Sydney Lease accommodation. Lease commitments for Sydney are estimated to be \$17,028,322.

The above schedule should be read in conjunction with the accompanying notes.

**AUSTRALIAN BROADCASTING AUTHORITY  
SCHEDULE OF CONTINGENCIES**

**as at 30 June 2003**

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**Contingent losses**

The ABA did not have any reportable contingent losses for the financial year ended 30 June 2003.

**Contingent gains**

The ABA did not have any reportable contingent gains for the financial year ended 30 June 2003.

The above schedule should be read in conjunction with the accompanying notes.

<b>SCHEDULE OF ADMINISTERED ITEMS</b>		Notes	2003	2002
			\$'000	\$'000
<b>Revenues Administered on Behalf of Government</b>		<b>21A</b>		
<i>the year period ended 30 June 2003</i>				
<b>Taxation</b>				
Other taxes, fees and fines			200,000	230,626
<b>Non-Taxation Revenue</b>				
Revenue from sale of assets			35,381	105,500
<b>Total Revenues Administered on Behalf of Government</b>			<b>235,381</b>	<b>336,126</b>
<b>Expenses Administered on Behalf of Government</b>		<b>21B</b>		
<i>For the year ended 30 June 2003</i>				
Write-down and impairment of assets			21,424	-
<b>Total Expenses Administered on behalf of Government</b>			<b>21,424</b>	<b>-</b>
<b>Assets Administered on Behalf of Government</b>		<b>21C</b>		
<i>For the year ended 30 June 2003</i>				
<b>Financial Assets</b>				
Receivables		2		-
Accrued Revenues			200,000	225,870
<b>Total Assets Administered on Behalf of Government</b>			<b>200,002</b>	<b>225,870</b>

	Notes	2003 \$'000	2002 \$'000
<b>Administered Cash Flows</b>			
<i>For the year ended 30 June 2003</i>			
<b>OPERATING ACTIVITIES</b>			
<b>Cash Received</b>			
Other taxes, fees and fines		204,446	213,029
Sales of goods		35,379	105,000
<i>Total Cash received</i>		<b>239,825</b>	<b>318,529</b>
Cash to Official Public Account		<b>(239,825)</b>	<b>(318,529)</b>
<i>Total Cash used</i>			
<b>Net Cash (used in) from operating activities</b>		-	-
Cash at the beginning of the reporting period		-	-
<b><i>Cash at the end of the reporting period</i></b>		<b>-</b>	<b>-</b>

The Authority administers the collection of broadcasting licence and auction fees on behalf of Commonwealth. While the Authority administers the collection of these fees, they are not available to be used by the Authority for its own purposes and are remitted to the Commonwealth's Official Public Account.

*The above schedule should be read in conjunction with the accompanying notes.*

## **AUSTRALIAN BROADCASTING AUTHORITY**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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**FOR THE YEAR ENDED 30 JUNE 2003**

**Note Description**

1. Summary of Significant Accounting
2. Policies Economic Dependency
3. Events Occurring after Reporting Date
4. Operating Revenues
5. Operating Expenses
6. Borrowing Cost Expenses
7. Financial Assets
8. Non-Financial Assets
9. Interest Bearing Liabilities
10. Other Interest Bearing liabilities
11. Provisions
12. Payables
13. Equity
14. Cash Flow Reconciliation
15. Remuneration of Members
16. Related Party Disclosures
17. Remuneration of Officers
18. Remuneration of Auditors
19. Average Staffing Levels
20. Financial Instruments
21. Administered Items
22. Appropriations
23. Reporting of Outcomes

## Note 1: Summary of Significant Accounting Policies

### 1.1 Basis of accounting

The financial statements are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies Act 1997* and are a general purpose financial report.

The statements have been prepared in accordance with :

- Finance Minister's Orders (being the *Commonwealth Authorities and Companies (Financial Statements for reporting periods ending on or after 30 June 2003) Orders*);
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Board; and
- Consensus Views of the Urgent Issues Group.

Australian Broadcasting Authority's Statements of Financial Performance and Financial Position have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Australian Broadcasting Authority's Statement of Financial Position when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the Schedule of Commitments and the Schedule of Contingencies (other than remote contingencies).

Revenues and expenses are recognised in the Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

#### *Administered items*

The Australian Broadcasting Authority (ABA) administers the collection of licence fees under section 158(f) of the *Broadcasting Services Act 1992* on behalf of the Commonwealth. The ABA can allocate, renew, suspend and cancel broadcasting licences and collect any fees payable for those licences.

Section 5 of the *Radio Licence Fees Act 1964 (RLFA)* and section 5 of the *Television Licence Fees Act 1964 (TLFA)* require commercial radio and commercial television licensees respectively to pay a licence fee to the Commonwealth as a tax in respect of the licence issued.

Section 6 of the *RLFA* and section 6 of the *TFLA* require commercial radio and commercial television licensees respectively to pay licence fees on 31 December each year. Licence fees are calculated as a relevant percentage of licensees' gross earnings for the previous financial period and accordingly are paid in arrears.

In accordance with the indicative plan made by the Minister under section 94E of the *Broadcasting Act 1942*, published in the *Gazette* dated 26 August 1987, commercial television licensees in approved markets are eligible for an aggregation rebate.

The Commonwealth has also enacted Statutory Rules 2000 No. 277 under the *TLFA*. These regulations introduced the Regional Equalisation Plan which established a rebate scheme to assist eligible commercial television licensees in specified regional licence areas to convert their services from analog to digital mode.

## 1.2 Changes in accounting policy

The accounting policies used in the preparation of these financial statements are consistent with those used in 2001-2002, except in respect of:

- measurement of certain employee benefits at nominal amounts (refer to Note 1.5)
- the initial revaluation of property plant and equipment on a fair value basis (refer to Note 1.10 and
- the imposition of an impairment test for non-current assets carried at cost (refer to Note 1.11).

## 1.3 Revenue

The revenues described in this Note are revenues relating to the core operating activities of the ABA.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

### *Revenues from Government – Output Appropriations*

The full amount of the appropriation for departmental outputs for the year is recognised as revenue.

### *Resources Received Free of Charge*

Services received free of charge are recognised as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the asset qualifies for recognition. There were no resources received free of charge in 2002-2003.



## 1.4 Transactions by the Government as Owner

### Equity Injections

Amounts appropriated by the Parliament as equity injections are recognised as 'contributed equity' in accordance with the Finance Ministers Orders. There were no equity injections in 2002-2003.

### Capital Use Charge

A Capital Use Charge is imposed by the Government on the net assets of the Authority. The Charge is accounted for as a dividend to Government.

In accordance with the recommendations of a review of Budget Estimates and Framework, the Government has decided that the Charge will not operate after 30 June 2003. Therefore, the amount of the charge payable in respect of 2003 is the amount appropriated (2002: 11% of adjusted net assets). No CUC appropriation was made to the ABA in 2002-2003.

## 1.5 Employee Benefits

### *Benefits*

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for wages and salaries (including non-monetary benefits) and annual leave are measured at their nominal amounts. Other employee benefits expected to be settled within 12 months of their reporting date are also to be measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability. This is a change in accounting policy from last year required by initial application of a new Accounting Standard AASB 1028 from 1 July 2002. ABA's certified agreement raises pay rates on 1 July each year, the financial effect of this change is not material.

All other employee benefit liabilities are measured as the present value of estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

### *Leave*

The liability for employee entitlements includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the ABA is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including the ABA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at

30 June 2003. In determining the present value of the liability, the ABA has taken into account attrition rates and pay increases through promotion and inflation.

### *Separation and redundancy*

Provision is made for separation and redundancy payments in circumstances where the ABA has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments can be determined.

### *Superannuation*

Employees of the ABA are members of the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. The liability for their superannuation benefits is recognised in the financial statements of the Commonwealth and is settled by the Commonwealth in due course.

The ABA makes employer contributions to the Commonwealth at rates determined by the actuary to be sufficient to meet the cost to the Commonwealth of the superannuation entitlements of the Authority's employees.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

## 1.6 Leases

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a basis which is representative of the pattern of benefits derived from the leased assets. The net present value of future net outlays in respect of surplus space under non-cancellable lease agreements is expensed in the period in which the space becomes surplus.

The Canberra fitout cost was capitalised and the lease incentive is recognised as a liability. This liability is reduced by allocating lease payments between rental expense and reduction of the liability.

## 1.7 Cash

Cash means notes and coins held and any deposits held at call with a bank or financial institution.

## 1.8 Financial instruments

Accounting policies for financial instruments are stated at Note 20.

## 1.9 Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognized as contributions by owners at the amounts at which they were recognized in the transferor entity's accounts immediately prior to the restructuring.

## 1.10 Property, plant and equipment

### *Asset recognition threshold*

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

### *Revaluations*

Property, plant and equipment are carried at valuation. Revaluations undertaken up to 30 June 2002 were done on deprival basis; revaluations since that date are at fair value. This change in accounting policy is required by Australian Accounting Standard AASB 1041 *Revaluation of Non-Current Assets*.

Fair and deprival values for each class of assets are determined as shown below.

Asset Class	Fair Value Measured at:	Deprival value measured at:
Leasehold Improvements	Depreciated replacement cost	Depreciated replacement cost
Plant & Equipment	Market selling price	Depreciated replacement cost

Under both deprival and fair value, assets which are surplus to requirements are measured at their net realisable value. At 30 June 2003 the ABA held no surplus assets. (30 June 2002: \$0)

The financial effect for 2002-03 of this change in policy relates to those assets to be recognized at fair value at 30 June 2003. The financial effect of the change is given by the difference between the carrying amount at 30 June 2002 of these assets and their fair values as at 1 July 2002. The financial effect by class is as follows:

Asset Class	Adjustment	Contra Account
Plant and Equipment	( \$94,595)	Asset Revaluation Reserve

Total financial effect was a net debit to the asset revaluation reserve of \$94,595.

Accounting Standard AAS 6 *Accounting Policies* requires, where practicable, presentation of the information that would have been disclosed in the 2001-02 Statements had the new accounting policy always been applied. It is impracticable to present this information.

#### *Frequency*

Plant and equipment assets were revalued on the fair basis at 1 July 2002 and 30 June 2003. The revaluation of leasehold improvements will be conducted in 2003-2004.

Assets in each class acquired after the commencement of a revaluation cycle are not captured by the progressive revaluation then in progress

#### *Conduct*

All valuations are done by an independent qualified valuer.

#### *Recoverable Amount Test*

From 1 July 2002, Schedule 1 no longer requires the application of the recoverable amount test in *AAS 10 Recoverable Amount of Non-Current Assets* to the assets of authorities when the primary purpose of the asset is not the generation of net cash inflows.

No property plant and equipment assets have been written to recoverable amount per AAS 10. Accordingly the change in policy has had no financial effect.

#### *Depreciation and amortisation*

Depreciable property plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the ABA using, in all cases, the straight-line method of depreciation. Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Residual values are re-estimated for a change in price only when assets are revalued.

Depreciation and amortisation rates applying to each class of depreciable asset are based on the following useful lives:

	2002-03	2001-02
Plant and equipment	5 years	5 years
Computer equipment	4 years	4 years
Leasehold improvements	Lease term	Lease term
Technical equipment	10 years	10 years

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 5C.

### 1.12 Intangibles

The ABA's intangibles comprise internally developed software and purchased software licences. From 1 July, 2002 schedule 1 no longer requires the application of the recoverable amount tests in Australian Accounting Standard AAS 10 *Recoverable Amount of Non-Current Assets* to the assets of the authorities when the primary purpose of the asset is not the generation of net cash inflows.

However schedule 1 now requires such assets, if carried on the costs basis, to be assessed for indications of impairment. The carrying amount of impaired assets must be written down to the higher of its net market selling price or depreciated replacement cost. All software assets were recommended by the Australian Valuation office to be reported at cost but reviewed annually for any material change that might give rise for significant variation from cost as accumulated.

No impairment write-down has been made in 2002-03.

Software is amortised on a straight-line basis over their anticipated useful lives.

The useful lives are:

	2002-2003	2001-2002
Computer software and licences	5 years	5 years

### **1.13 Taxation**

The ABA is exempt from all forms of taxation except fringe benefits tax and the goods and services tax (GST).

### **1.14 Insurance**

The ABA has insured for risks through the Government's insurable risk managed fund, called Comcover. Workers compensation is insured through Comcare Australia.

### **1.15 Comparative figures**

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

### **1.16 Rounding**

Amounts have been rounded off to the nearest dollar except Outcome and Output note 23C and the Administered items which are rounded to the nearest \$1,000.

### **1.17 Administered Activities**

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Schedule of Administered Items and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for Authority items, including the application to the greatest extent possible for Accounting Standards, Accounting Interpretations and UIG Consensus Views.

Administered revenues transferred or transferable to the Official Public Account (OPA) are not reported as administered expenses or payables. These transactions or balances are internal to the Administered entity.

These transfers of cash are reported as administered (operating) cash flows and in the administered reconciliation table in Note 21E.

#### **Revenue**

All administered revenues are revenues relating to the core operating activities performed by the ABA on behalf of the Commonwealth.

Revenue and related assets arise when the Commonwealth, through the application of legislation by the ABA, is provided with the right to fees. Revenue includes licence fees which are collected annually and are based on a percentage of the licensees' gross earnings for the previous financial period. Revenue is also derived from auction sales of broadcasting licences (also referred to as price based allocation of licences).

**1.18 Accumulated surplus**

The accumulated surplus predominantly includes employee liabilities which were not funded at the time of the conversion from cash accounting to accrual accounting. From 1999-2000, employee liabilities include employer contributions to superannuation payable on accrued long service leave and accrued annual leave taken by staff during employment.

The on-going viability and solvency of the ABA is determined by Parliament which provides funding for the ABA's programs and activities, enabling it to meet its agreed outcome. The ABA has the ability to meet its current financial commitments as they fall due and will therefore be able to continue to provide goods and services in the future.

**Note:2 Economic Dependency**

The ABA was established by subsection 154(1) of the *Broadcasting Services Act, 1992* and is controlled by the Commonwealth of Australia.

The ABA is dependent on appropriations from Parliament of the Commonwealth for its continued existence and ability to carry out its normal activities and functions under the *Broadcasting Services Act*.

**Note 3: Events Occurring after Reporting Date.**

No reportable events occurred after reporting date.

**Note 4: Operating Revenues**

<u>Note 4 (A) Revenues from Government</u>	<b>2003</b>	<b>2002</b>
	\$	\$
Appropriations for outputs	<u>15,509,000</u>	<u>15,750,000</u>
<b>Total</b>	<b><u>15,509,000</u></b>	<b><u>15,750,000</u></b>
<u>Note 4 (B) Sale of goods and services</u>		
Goods	<b>30,908</b>	28,640
Services	<b>127,647</b>	188,042
 <b>Total sale of goods and services</b>	 <b><u>158,555</u></b>	 <b><u>216,682</u></b>
Provision of goods to:		
Related entities	<b>3,071</b>	4,022
External entities	<b>27,837</b>	24,618
<b>Total Sale of Goods</b>	<b><u>30,908</u></b>	<b><u>28,640</u></b>
Rendering of Services to:		
Related entities	-	-
External entities	<b>127,647</b>	188,042
<b>Total Rendering of Services</b>	<b><u>127,647</u></b>	<b><u>188,042</u></b>
Costs of sales of goods	<b><u>30,908</u></b>	<b><u>28,640</u></b>

	2003	2002
	\$	\$
<u>Note 4 (C) Interest</u>		
Deposit	52,956	135,165
<hr/>		
<u>Note 4 (D) Net Gain from Sale of</u>		
<u>Assets</u>		
Infrastructure, plant and equipment:		
Proceeds from disposal	21,982	827
Net book value of assets disposed	(3,330)	(1,357)
<i>Net gain / (loss) from disposal of</i>	18,652	(530)
<i>infrastructure, plant and equipment.</i>		
<hr/>		
<u>Note 4 (E) Other revenue</u>	2003	2002
	\$	\$
Sub-leasing of premises	92,374	111,931
Depreciation Funding from the		
Department of Communications, IT	-	344,736
and the Arts for the for Planning Tools		
Software		
Funding from the Department of		
Communications, IT and the Arts for	405,475	1,257,588
the Black Spots Program		
Registration fees for Year Conference	105,148	106,566
Other	48,376	128,746
Total	651,373	1,949,567

Between financial years 2002-03 and 2005-06 approximately \$355,000 (indexed) will be received annually from the Department of Finance and Administration to enable the broadcast planning tools software to be adequately maintained and replaced at the end of its useful life.

The ABA also received \$555,000, during the 2002-2003 financial year from the Department of Communications, Information Technology and the Arts to provide the ABA with the means to undertake work relating to the Government's Black Spots and Community TV programs.

<b>Note 5: Operating Expenses</b>	2003	2002
	\$	\$
<u>Note 5A - Employee expenses</u>		
Wages and Salaries	7,800,452	7,608,053
Superannuation	1,167,055	1,194,639
Leave and other entitlements	985,838	1,127,485
Separation and Redundancy	162,951	397,032
<b>Total employee Benefits expenses</b>	<b>10,116,296</b>	<b>10,327,209</b>
Workers Compensation Premiums <sup>1</sup>	73,868	-
<b>Total employee Expenses</b>	<b>10,190,164</b>	<b>10,327,209</b>

<sup>1</sup> The expenditure for the workers compensation premium for 2001-2002 is included with the supplier expenses below.



<u>Note 5B: Suppliers expenses</u>	2003	2002
	\$	\$
Goods From related entities	16,393	29,425
Goods From external entities	379,030	524,575
Services From related entities	623,519	615,204
Services From external entities	3,241,799	385,2602
Operating lease rentals	1,830,661	1,903,018
Total suppliers expenses	<u>6,091,402</u>	<u>6,924,824</u>

	2003	2002
	\$	\$
<u>Note 5C. Depreciation and amortisation</u>		
<u>Depreciation of leasehold Improvement, plant &amp; equipment</u>	137,308	96,469
Amortisation of leased assets Improvement	335,966	336,618
Amortisation of intangible assets – purchased computer software	342,722	157,609
Total depreciation and amortisation	<u>815,996</u>	<u>590,696</u>

<u>Note 5D - Write-down of assets</u>	2003	2002
Bad and doubtful debt expense	200	11,615
Total	<u>200</u>	<u>11,615</u>

<b>Note 6: Borrowing Expenses</b>	2003	2002
Leases	47,312	61,017
Total	<u>47,312</u>	<u>61,017</u>

<b>Note 7: Financial assets</b>	2003	2002
<u>Note 7A - Cash</u>		
Cash at bank and on hand	343,499	70,142
Deposits at call	23,391	1,773,536
	<u>366,890</u>	<u>1,843,678</u>

	2003	2002
	\$	\$
<u>Note 7B - Receivables</u>		
Goods and services	50,284	14,011
Other Receivables	1,156,640	29,198
GST Receivable	224,063	118,676
Total Receivables	<u>1,430,987</u>	<u>161,885</u>
Less: Provision for Doubtful Debts	<u>(200)</u>	<u>(2,043)</u>
	<u>1,430,787</u>	<u>159,842</u>

	2003	2002
	\$	\$
Receivables (gross) are aged as follows:		
Not overdue	1,430,787	145,843
Overdue by:	-	-
30 to 60 days	-	-
- more than 90 days	<u>200</u>	<u>16,042</u>
Total receivables (gross)	<u>1,430,987</u>	<u>161,885</u>

Other receivables include \$800,171 owed to ABA by DPT and DPPT Operator Pty Ltd for fitout cost incurred by ABA. All receivables are current.

The provision for Doubtful debts is aged as follows:

Not overdue		
Overdue by:		
Less than 30days	-	-
30 to 60days	-	-
60 to 90 days	-	-
More than 90days	<u>200</u>	<u>16042</u>
<b>Total provision for doubtful debts</b>	<u>200</u>	<u>16042</u>

<b>Note 8: Non-Financial Assets</b>	2003	2002
	\$	\$

Note 8A - Leasehold improvements

Leasehold improvements - at cost	698,366	8,352
Less accumulated depreciation	<u>(73,264)</u>	<u>(4,779)</u>
Total Leasehold improvements	<u>625,102</u>	<u>3,573</u>

Note 8B Infrastructure, plant and equipment

Infrastructure, plant and equipment - at cost	-	138,453
Less accumulated depreciation	-	<u>(24,562)</u>
	<u>-</u>	<u>113,891</u>

	2003	2002
	\$	\$
Note 8C Infrastructure, plant and equipment – at valuation 2002-2003 (fair value)	326,795	-
Less accumulated depreciation	<u>(56,834)</u>	-
	<u>269,961</u>	-
Plant and equipment under finance lease	1,557,431	1,557,431
Less accumulated amortisation	<u>(1,016,373)</u>	<u>(680,407)</u>
	<u>541,058</u>	<u>877,024</u>
Total Infrastructure, plant and equipment	<u><u>811,019</u></u>	<u><u>1,180,121</u></u>

In 2002-03, the revaluations were conducted by Australian Valuation Office.

Note 8D Infrastructure, plant and equipment – at deprival value	-	344,550
Less accumulated depreciation	<u>-</u>	<u>(155,344)</u>
	<u>-</u>	<u>189,206</u>

Note 8 E - Intangible assets – Purchased computer software

Purchased computer software	1,951,893	1,833,999
Less accumulated amortisation	<u>(698,423)</u>	<u>(355,701)</u>
Sub total intangibles	<u>1,253,470</u>	<u>1,478,298</u>
Computer software	-	-
Externally developed – in progress	<u>853,398</u>	<u>516,184</u>
Total intangibles	<u><u>2,106,868</u></u>	<u><u>1,994,482</u></u>

## Note 8D - Analysis of Infrastructure, Plant and Equipment and Intangibles

**TABLE A – Reconciliation of the opening and closing balances of infrastructure, plant and equipment and intangibles.**

Item	Leasehold Improvements	Plant & equipment	Computer software – Total Intangibles	TOTAL
	\$	\$	\$	\$
<b>As at 1 July 2002</b>				
Gross value	8,352	2,040,434	2,350,183	4,398,970
Accumulated depreciation/ amortisation	(4,779)	(860,312)	(355,700)	(1,220,792)
Net book value	3,573	1,180,121	1,994,482	3,178,176
<b>Additions – Purchase of Assets</b>	690,014	133,977	455,107	1,279,098
Net Revaluation increment/decrement	-	(37,640)	-	(37,640)
Depreciation /amortisation expense	(68,484)	(404,790)	(342,722)	(815,996)
Write downs	-	(18,640)	-	(18,640)
Disposals	-	(42,021)	-	(42,021)
<b>As at 30 June 2003</b>				
Gross book value	698,366	1,884,226	2,805,290	5,387,882
Accumulated depreciation / amortisation	(73,264)	(1,073,207)	(698,423)	(1,844,895)
Net book value	625,102	811,019	2,106,868	3,542,988

**TABLE B - Assets at Valuation as at 30 June 2003**

Item	Plant & equipment	TOTAL
As at 30 June 2003	\$	\$
Gross value	326,795	326,795
Accumulated Depreciation / Amortisation	(56,835)	(56,835)
<b>Net book value</b>	<b>269,960</b>	<b>269,960</b>
<b>As at 30 June 2002</b>		
Gross value	344,550	344,550
Accumulated Depreciation / Amortisation	(155,344)	(155,344)
<b>Net book value</b>	<b>189,206</b>	<b>189,206</b>

**TABLE C - Assets held under finance lease as at 30 June 2003**

Item	Plant & equipment	TOTAL
As at 30 June 2003	\$	\$
Gross value	1,557,431	1,557,431
Accumulated Depreciation	(1,016,372)	(1,016,372)
<b>Net book value</b>	<b>541,059</b>	<b>541,059</b>
<b>As at 30 June 2002</b>		
Gross value	1,184,993	1,184,993
Accumulated Depreciation	(307,969)	(307,969)
<b>Net book value</b>	<b>877,024</b>	<b>877,024</b>

TABLE D - Assets under construction as at 30 June 2003

Item	Computer software Total Intangibles	TOTAL
	\$	\$
Gross value at 30 June 2003	853,398	853,398
Gross value at 30 June 2002	516,184	516,184

<u>Note 8E - Other non-financial assets</u>	2003	2002
	\$	\$
Software maintenance & support prepaid	232,916	263,300
Prepaid property rentals	-	118,784
Other prepayments	33,399	130,031
Total other non-financial assets	<u>266,315</u>	<u>512,115</u>
All prepayments are current.		

**Note 9: Interest Bearing Liabilities**

<u>Leases</u>	2003	2002
	\$	\$
Finance Lease Commitments Payable:		
Within one year	375,189	381,820
In one to five years	<u>607,028</u>	<u>762,386</u>
Minimum lease payments	982,217	1,144,206
Deduct: future finance charges	<u>(408,138)</u>	<u>(242,250)</u>
<b>Total Lease Liability</b>	<u><b>574,079</b></u>	<u><b>901,956</b></u>
Lease liability is represented by :		
Current	349,070	329,023
Non-current	<u>225,009</u>	<u>572,933</u>
Lease liability	<u><b>574,079</b></u>	<u><b>901,956</b></u>

Finance lease exits in relation to certain major office equipment assets. The leases are non-cancellable and for fixed terms averaging three years, with a maximum of five years.

**Note10: Other Interest Bearing Liabilities**

	2003	2002
	\$	\$
Lease incentives	<u>646,905</u>	<u>-</u>
Other Interest Bearing Liabilities are categories as follows:		
Current	102,143	-
Non- current	<u>544,762</u>	<u>-</u>
	<u>646,905</u>	<u>-</u>

**Note 11A: Provisions**

	2003	2002
	\$	\$
Employee Provision		
Salaries and wages	298,900	278,665
Leave	2,667,193	1,069,235
Superannuation	291,593	1,616,972
Aggregate employee benefit liability and related on costs	<u>3,257,686</u>	<u>2,964,872</u>
Employee provisions are categorised as follows:		
Current	1,782,022	1,639,145
Non-current	<u>1,475,664</u>	<u>1,325,727</u>
	<u>3,257,686</u>	<u>2,964,872</u>

**Note 11B: Capital Use Charge Provision**

Capital Use Charge	-	<u>14,908</u>
Balance Owing 1 July	14,908	-
Capital Use Charge provided for during period	-	14,908
Capital Use Charge paid	(14,908)	-
Balance Owing 30 June	<u>-</u>	<u>14,908</u>

**Note 12: Payables**

<u>Note 12 A - Supplier Payables</u>	<b>2003</b>	2002
	\$	\$
Trade creditors	<u>366,146</u>	<u>456,636</u>
	<u><b>366,146</b></u>	<u><b>456,636</b></u>
All supplier payables are current		
<u>Note 12 B - Unearned revenue</u>		
Black Spots	391,936	292,412
Community TV	<u>50,000</u>	-
	<u><b>441,936</b></u>	<u><b>292,412</b></u>
Note 12C- GST Payable		
Net GST Payable	<u>115,266</u>	<u>8,931</u>

All payables are current.

**Note 13: Equity**

Item	Accumulated results		Asset revaluation reserve		TOTAL EQUITY	
	2003	2002	2003	2002	2003	2002
	\$	\$	\$	\$	\$	\$
<b>Opening Balance 1 July</b>	901,756	781,140	152,340	152,340	1,054,096	933,480
Operating result	(754,538)	135,523	-	-	(754,538)	135,523
Net revaluation increment/ (decrement)	-	-	(94,595)	-	(94,595)	-
Capital use charge (CUC)	-	(14,908)	57,745	-	-	(14,908)
<b>Closing Balance at 30 June</b>	<b>147,218</b>	<b>901,756</b>	<b>57,745</b>	<b>152,340</b>	<b>204,963</b>	<b>1,054,096</b>



**Note 14: Cash Flow Reconciliation( Please refer to separate attachments)**

<b>Reconciliation of net Operating surplus/(deficit) to net cash from operating activities</b>	<b>2003</b>	<b>2002</b>
	<b>\$</b>	<b>\$</b>
Net (deficit)/Surplus	(754,538)	135,523
Depreciation and amortisation	815,996	590,696
Amortisation of leasehold incentive	(70,158)	-
Gain/(Loss) on disposal of assets	(18,651)	(530)
Write down of non-current assets	-	11,615
(Increase) / decrease in receivables	(364,935)	19,838
(Increase) / decrease in prepayments	245,799	(57,065)
Increase / (decrease) in employee provisions	292,814	(51,539)
Increase / (decrease) in supplier payables	(90,488)	149,124
Increase / (decrease) in other payables	-	292,412
Increase/(decrease) in prepayments received	149,525	-
Extinguishment of lease liability	(327,877)	(307,865)
Net cash (used by)/ from operating activities	<u>(122,512)</u>	<u>783,269</u>

**Note 15: Remuneration of Members**

The number of Members of the ABA who received or were due to receive total remuneration of \$100,000 or more.

	<b>2003</b>	<b>2002</b>
\$30,000 - \$39,999	1	2
\$40,000 - \$49,999	3	1
\$50,000 - \$59,999	-	1
\$170,000 - \$179,999	-	1
\$190,000 - \$199,999	1	-
\$210,000- \$219,999	-	1
\$220,000 - \$229,999	1	-
\$240,000- \$249,999	-	1
\$250,000- \$259,999	1	-
	<u>7</u>	<u>7</u>

Two Part-Time Associate Members did not receive remuneration during the financial year.

	2003	2002
	\$	\$
Aggregate amount of superannuation payments in connection with the retirement of Members of the ABA	78,592	75,514
Other remuneration received or due and receivable by Members of the ABA	753,151	730,353
Total remuneration received or due and receivable by Members of the ABA	831,743	805,867

### Note 16: Related Party Disclosures

The Members of the ABA during the financial year were:

#### Full Time Members

Professor David Flint (Chairman)  
Ms Lyn Maddock (Deputy Chair)  
Mr Michael Gordon-Smith

#### Part-Time Members

Mr Robert Le Tet  
Mr Malcolm Long  
Ms Jane Marquard  
Mr Ian Robertson

#### Part-Time Associate Members

Dr Robert Horton  
Mr Ross Jones

The aggregate remuneration of Members is disclosed in Note 15.

The ABA did not have any other transactions with Members or Member related entities during the financial year.

**Note 17: Remuneration of Executive Officers**

The number of Executive Officers who received or were due to receive total remuneration of \$100,000 or more :

	2003	2002
\$140,001 - \$150,000	1	2
\$150,001- \$160,000	2	1
\$160,001 - \$170,000	-	1
\$170,001- \$180,000	1	1
\$180,001- \$190,000	1	-
	<u>5</u>	<u>5</u>
The aggregate amount of total remuneration of Executive Officers shown above.	\$ <u>818,939</u>	\$ <u>781,073</u>

The executive remuneration includes all Executive Officers concerned with or taking part in the management of the ABA during 2002-2003 with the exception of the Members. Details in relation to Members have been incorporated into Note 15 – Remuneration of Members.

<b>Note 18: Auditor's remuneration</b>	2003	2002
	\$	\$
Remuneration to the Auditor-General for auditing the financial statements of the ABA in respect of the reporting period.	42,000	34,000

No other services were provided by the Auditor-General during the reporting period.

<b>Note 19: Average Staffing Levels</b>	2003	2002
The average staffing levels for the ABA during the year were:	<u>124</u>	<u>134</u>

**Note 20: Financial Instruments**Note 20A - Terms, Conditions and Accounting Policies

<b>Financial instrument</b>	<b>Notes</b>	<b>Accounting policies and methods (including recognition criteria and measurement basis)</b>	<b>Nature of underlying instrument (including significant terms &amp; conditions affecting the amount, timing and certainty of cash flows)</b>
<b>Financial assets</b>		Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.	
Cash	7A	Deposits are recognised at their nominal amounts. Interest is credited to revenue as it accrues.	Funds, mainly from monthly draw downs of appropriation, are placed on deposit at call with the ABA's banker. Interest is earned on the daily balance at the prevailing daily rate for money on call and is paid at month end.
Receivables	7B	These receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. Provisions are made when collection of the debt is judged to be less rather than more likely.	Credit terms are net 30 days (2001-02: 30 days).
<b>Financial liabilities</b>		Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Leases	9	Liabilities are recognised at the present value of the minimum lease payments at the beginning of the lease. The discount rates used are estimates of the interest rates implicit in the lease.	At reporting date, the ABA had a finance lease with a term of 5 years. The estimate of the interest rate implicit in the lease is 6.3
Suppliers / Payables	12A	Creditors and accruals are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).	Settlement is usually made net 30 days.
GST Payable	12C	This liability is recognised at the net value of GST payable to the ATO.	Settlement is usually made within 30 days.
Lease Incentive	10	The Canberra fitout cost was capitalised and the lease incentive is recognised as a liability.	The lease incentive was provided for entering into a seven year lease.
Capital Use Charge provision	11B	The amount payable at 30 June 2003 is nil. Department of Finance and Administration has required settlement of the charge for 2003 to be made before 30 June in the amount of funding received for this charge.	The charge is the return on capital required under the Budget Framework in place since 1 July 1999. In prior years, the Charge has been calculated as a percentage of adjusted net assets. (2002: 11%) The charge is being discontinued after 30 June 2003.

**Note 20: Financial Instruments (cont.)**

**Note 20B - Interest Rate Risk**

Financial instrument	Notes	Floating Interest Rate		Fixed Interest Rate Maturing in 1 year to 5 years		Non-interest bearing		Total			Weighted Average Effective Interest Rate	
		02-03	01-02	02-03	01-02	02-03	01-02	02-03	01-02	02-03	01-02	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
<b>Financial assets</b>												
Cash	7A	362,390	1,839,228	-	-	4,500	4,450	366,890	1,843,678	3.1	3.86	
Receivables	7B	-	-	-	-	1,430,787	159,842	1,430,787	159,842	n/a	n/a	
<b>Total financial assets (recognised)</b>		<b>362,389</b>	<b>1,839,228</b>	<b>-</b>	<b>-</b>	<b>1,435,287</b>	<b>164,292</b>	<b>1,797,677</b>	<b>2,003,520</b>	<b>n/a</b>	<b>n/a</b>	
<b>Total assets</b>								<b>5,606,981</b>	<b>5,693,811</b>	<b>n/a</b>	<b>n/a</b>	
<b>Financial liabilities (recognised)</b>												
Leases	9	-	-	574,079	901,956	-	-	574,079	901,956	6.3	n/a	
Lease incentive	10	-	-	646,905	-	-	-	646,905	-	6.3	n/a	
Capital Use Charge	11B	-	-	-	-	-	14,908	-	14,908	n/a	n/a	
Supplier payables	12A	-	-	-	-	366,146	456,636	366,146	465,567	n/a	n/a	
GST Payable	12C	-	-	-	-	115,266	8,931	115,266	-	n/a	n/a	
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>574,079</b>	<b>901,956</b>	<b>932,403</b>	<b>757,979</b>	<b>1,506,482</b>	<b>1,659,935</b>			
<b>Total liabilities</b>								<b>5,402,018</b>	<b>4,639,715</b>			

Note 20C - Net Fair Values of Financial Assets and Liabilities

	Note	2002-2003		2001-2002	
		Total carrying amount \$	Aggregate net fair value \$	Total carrying amount \$	Aggregate net fair value \$
<b>Financial assets</b>					
Cash at bank	7A	338,998	338,998	65,692	65,692
Cash on hand	7A	4,500	4,500	4,450	4,450
Deposits at call		23,392	23,392	1,773,536	1,773,536
Receivables for goods and services	7B	50,084	50,284	14,011	14,011
Other debtors	7B	1,380,703	1,380,703	145,831	145,831
<b>Total Financial assets</b>		<b>1,797,677</b>	<b>1,797,677</b>	<b>2,003,520</b>	<b>2,003,520</b>
<b>Financial liabilities</b>					
Finance lease liabilities	9	574,079	574,079	901,956	901,956
Lease Incentive	10	646,905	646,905	-	-
Capital Use Charge	11B	-	-	14,908	14,908
Suppliers	12A	366,146	366,146	456,636	456,636
GST Payable	12 C	115,266	115,266	8,931	8,931
<b>Total Financial liabilities</b>		<b>1,702,396</b>	<b>1,702,396</b>	<b>1,659,935</b>	<b>1,659,935</b>

*Financial assets*

The net fair values of cash and deposits on call equal their carrying amounts.

*Financial liabilities*

The net fair values of all finance lease liabilities are based on discounted cash flows using current interest rates for liabilities with similar risk profiles.

The net fair values for trade and other creditors, all of which are short-term in nature, equal their carrying amounts.

Note 20D - Credit risk exposures

The ABA's maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of Financial Position.

The ABA has no significant exposures to any concentrations of credit risk.

**Note 21: ADMINISTERED ITEMS**

	<b>2003</b>	<b>2002</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Note 21A: Revenues Administered on Behalf of Government</b>		
<i>for the year ended 30 June 2003</i>		
<b>Other taxes, fees and fines</b>		
Broadcasting licence fees- external entities	200,000	230,626
<b>Non-Taxation Revenue</b>		
Proceeds from auction sales of licences(external entities)	35,381	105,500
<b>Total Revenues Administered on Behalf of Government</b>	<b>235,381</b>	<b>336,126</b>

**Note 21B: Expenses Administered on Behalf of Government**  
*For the year ended 30 June 2003*

**Write-down and impairment of assets of assets**

(The Administered accrued revenue carried over from last year was  
Written down to refelect the actual amount received).

	<b>21,424</b>	-
<b>Total Expenses Administered on behalf of Government</b>	<b>21,424</b>	-

**Note 21C: Assets Administered on Behalf of Government**  
*For the year ended 30 June 2003*

**Financial Assets**

Receivables	2	-
Accrued Revenues (licence fees)	200,000	225,870
<b>Total Assets Administered on Behalf of Government</b>	<b>200,002</b>	<b>225,870</b>

**Note 21E: ADMINISTERED RECONCILIATION**  
**TABLE**

	<b>2003</b>	<b>2002</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening administered assets less administered liabilities at 1 July 2002	225,870	208,273
Plus Administered revenues	235,381	336,126
Less Administered expenses	(21,424)	-
Administered transfers to/from Government from OPA	(239,825)	(318,529)
<i>Closing administered assets less administered</i>	<b>200,002</b>	<b>225,870</b>

**Note 21 F: Administered Commitments**

There were no administered Commitments for 2002-03 (2002: nil)

**Note 21 G: Administered Contingencies**

There were no administered contingencies for 2002-03 (2002: nil)

Revenue derived from broadcasting licence fees represents revenue collected by the ABA under the *Broadcasting Services Act 1992* on behalf of the Commonwealth. The ABA can allocate, renew, suspend and cancel broadcasting licences and collect any fees payable for those licences. Licence fees are due and receivable on 31 December each year and are based on a percentage of the licensee's gross earnings for the previous financial period.

Revenue derived from auction sales of broadcasting licences (also referred to as price based allocation of licences) represents amounts received by the ABA for the sale of commercial licences by auction.

Revenue from both these sources is not available to the ABA for its own purposes and is directly remitted to the Commonwealth's Official Public Account. Accrued revenue represents amounts receivable for radio and television broadcasting licences. The due date for licence fees is 31 December of each financial year.

The revenues derived from sales of licences are recognised as proceeds on asset sales rather than as licence fee revenue. \$21.4m was written down due to a shortfall in previous year's accrued administered revenues for the financial year ended 2002-2003.

The ABA received \$204.4m in licence fees from commercial radio and commercial television licensees for the 2001 - 2002 collection year, which consisted of \$15.0m from commercial radio and \$189.8m from commercial television licensees respectively.

In the 2002-03 collection year, eligible commercial television licensees in specified regional licence areas accessed regional equalisation rebates of \$21.8m.



## Note 21F: Administered Financial Instruments

## (a) Terms, conditions and accounting policies

Financial instrument	Note	Accounting policies and methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms & conditions affecting the amount, timing and certainty of cash flows)
<i>Financial assets</i>		Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.	
Receivables	21C	Accrued revenue is recognised at the nominal amounts due.	The due date for licence fees is 31 December of each year.
<i>Financial liabilities</i>		Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured. There were no liabilities recorded.	

## Note 22: Appropriations

Particulars	Departmental		Total	
	2003	2002	2003	2002
	\$ 000	\$000	\$ 000	\$000
<b>Year ended 30 June 2003</b>				
Appropriation Act 1 3	15,154	15,750	15,154	15,750
Available for payment of CRF	15,154	15,750	15,154	15,750
Payment made out of CRF	15,154	15,750	15,154	15,750
Balance Carried forward to next year	-	-	-	-

This Table reports on appropriations made by Parliament of the Consolidated Revenue Fund (CRF) in respect of the ABA. When received by ABA, the payments made are legally the money of the ABA and do not represent any balance remaining in the CRF.

Note 23A- Outcomes of the ABA

The ABA is structured to meet one outcome: An accessible, diverse and responsible broadcasting industry. There are two output groups identified for this outcome:

- (1) Managed regulation of broadcasting; and
- (2) Licensing of broadcasting services.

Note 23B: Net Cost of Outcome Delivery

	Outcome	
	2003	2002
	\$'000	\$'000
Administered expenses	21,424	-
Departmental expenses	17,148	17,917
<b>Total Expenses</b>	<b>38,572</b>	<b>17,917</b>
Cost recovered from provision of goods and services to non-government sector		
Administered	235,381	336,126
Departmental	155	213
<b>Total costs recovered</b>	<b>235,536</b>	<b>336,339</b>
<i>Other external revenues</i>		
Departmental		
Sale of goods and services- to related entities	3	4
Interest	53	135
Revenue from Sale of assets	22	1
Other	651	1950
<b>Total departmental</b>	<b>729</b>	<b>2090</b>
<b>Net contribution of outcome</b>	<b>(197,694)</b>	<b>(320,512)</b>

## Note 23C – Departmental Revenues and Expenses by Output Group

	Output Group 1		Output Group 2		Total	
	2003	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
<b>Operating expenses</b>						
Employees	5127	5149	5063	5178	10190	10327
Suppliers	3064	3459	3027	3477	6091	6925
Depreciation and amortisation	411	295	405	296	816	591
Write-down of assets	0	6	0	6	0	12
Value of assets disposed	2	1	1	0	3	1
Borrowing Costs Expense	24	30	23	31	47	61
<b>Total operating expenses</b>	<b>8622</b>	<b>8,939</b>	<b>8,514</b>	<b>8,977</b>	<b>17,148</b>	<b>17,917</b>
<b>Funded by:</b>						
Revenues from Government	7980	7897	7529	7853	15509	15,750
Sale of Goods and Services	79	108	80	109	159	217
Interest	27	67	26	68	53	135
Revenue from Sale of assets	11	1	11	0	22	1
Other Revenue	326	915	325	909	651	1950
<b>Total operating revenues</b>	<b>8423</b>	<b>9077</b>	<b>7971</b>	<b>8,976</b>	<b>16394</b>	<b>18,053</b>

The ABA's revenues and expenses have been attributed to each output on the bases of resource drivers and asset analysis.

**Note 23D: Administered Revenues and Expenses by Outcome**

	Outcome	
	2003 \$'000	2002 \$'000
<b>Operating revenues</b>		
Other taxes, Fees and fines	200,000	230,626
Sale of goods	35,381	105,000
<b>Total operating revenues</b>	<b>235,381</b>	<b>336,126</b>

	Outcome	
	2003 \$'000	2002 \$'000
<b>Operating expenses</b>		
Write down and impairment of assets	21,424	-
<b>Goods and Services</b>		
<b>Total operating expenses</b>	<b>21,424</b>	<b>-</b>

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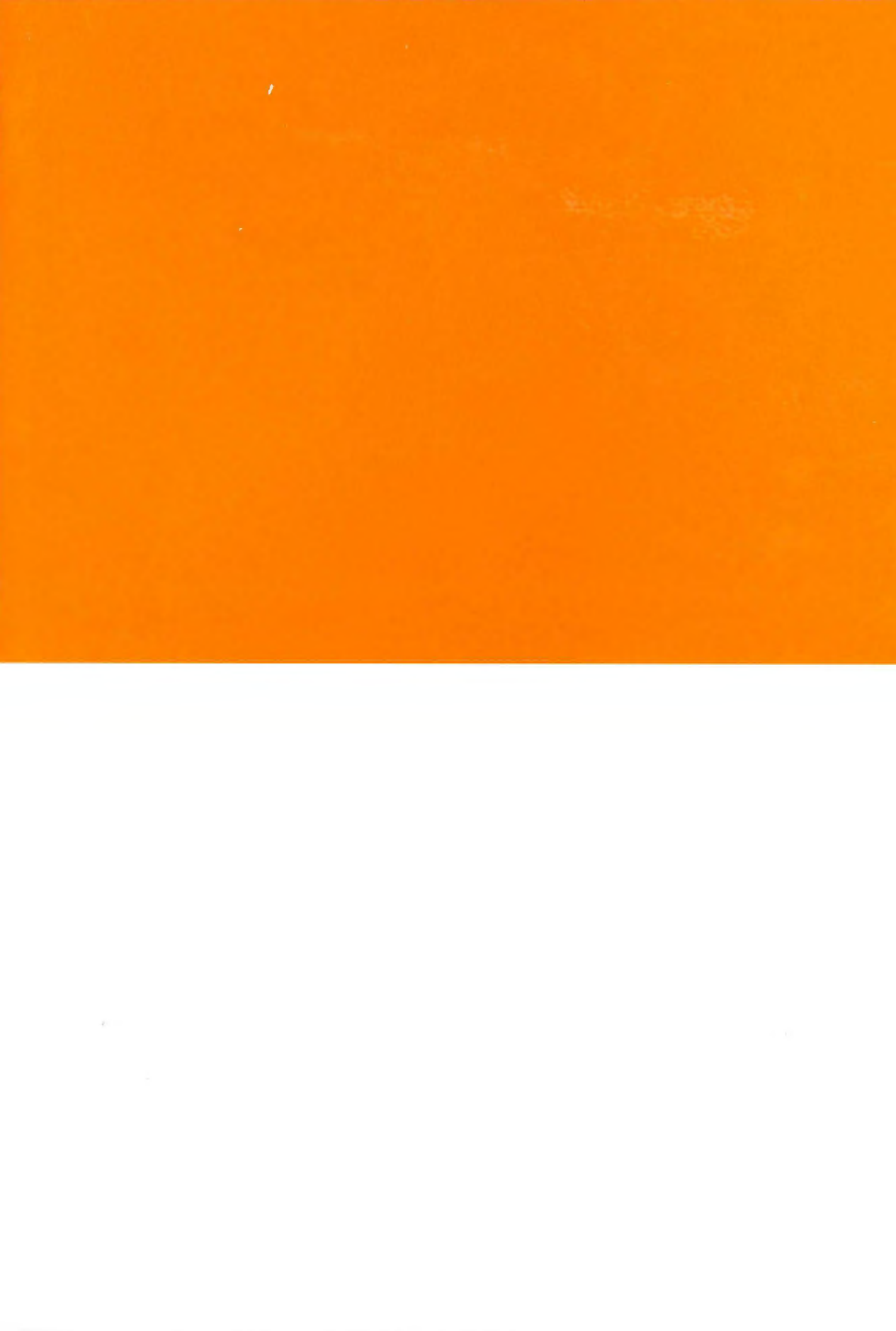
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