

Kim Beazley's Plan for Broadcasting

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Overview

Rapid technological and economic change over the last decade has given rise to a communications sector in Australia (and elsewhere) where the formerly disparate sectors of telecommunications, broadcasting and media, and information technology are converging, both functionally and institutionally.

In this new age, communications policy must increasingly look beyond these traditional sectoral boundaries, and be responsive to a whole new range of issues.

This process represents a gradual but fundamental change, occurring at an increasingly global level. However, these changes make it even more important for Australians to be able to see and listen to their own stories, told in their own voices.

The process of convergence is not a 'one-off' issue. Rather, it is a process of change.

Through its failure to successfully introduce digital television and datacasting, and its attempts to ineffectively regulate the Internet, the Howard Government has demonstrated that it is incapable of managing this change.

The Howard Government has made Australia an international laughing stock, entrenching perceptions of Australia as an 'old economy'.

If not addressed, these perceptions will undermine Australia's economic performance, costing Australia and Australians new and better jobs.

So, rather than stand in the way of Australia's content creating industries, including traditional sectors like broadcasting, Labor will work with these industries to help them manage this process of change.

Labor will also work with the broadcasting industries and a range of new players to help bring Australians an exciting new array of informative, useful and entertaining interactive services.

In doing so, Labor will ensure that Australia does not abandon the fundamental principles of quality, diversity, localism, competition and access, which are all central to the way Australians want to acquire their information and entertainment.

In the process, Labor will ensure that important institutions, like the ABC and SBS, and our community-broadcasting sector, continue to be supported.

In a world of global information and entertainment, the public and community broadcasting sectors will become even more important as a means to ensure that Australians can receive both global and local information, told from an Australian perspective.

Australia's broadcasting sector, with its ability to provide an increasing array of information and entertainment, is essential to the future of Australia's content creating industries and therefore an important part of Kim Beazley's Knowledge Nation.

The Howard Government's Failures

AUSTRALIAN BROADCASTING CORPORATION

In 1996, the Coalition promised that it would:

- maintain existing funding for the ABC, including Radio Australia and Australia Television;
- support the ongoing extension of Triple J into regional Australia;
- cease the politicisation of the ABC Board; and
- prevent the ABC from entering into inappropriate commercial arrangements that had the potential to undermine the ABC's independence.

All four of these promises have been broken.

And despite repeated requests for it to do so, the Howard-Anderson Government has consistently refused to rule out its support for the privatisation of Triple J, ABC On-line and ABC Shops.

ABC Funding

The Howard-Anderson Government cut \$66 million a year from the ABC's Budget in 1996 and 1997. Despite some additional funding having been provided over the last 12 months, principally for Radio Australia, Australia Television, enhanced regional services and science programming, the ABC still receives \$36.3 million a year less than it did in 1995-96 (*Source: Answer to Senate Estimates, Senate Communications, information Technology and the Arts Committee*).

And while the Coalition provided additional funding to the ABC for the transmission of digital television, it has consistently refused to provide it funding for digital content.

In December 2000, the Government rejected the ABC's urgent request for additional funding of approximately \$40 million per year. Both the Prime Minister and Communications Minister Richard Alston indicated that they thought the ABC was adequately funded.

However, in May 2001, the Government finally provided the ABC with additional funding of \$17.8 million a year, principally for additional regional services. The ABC only received this funding because the Government has been desperate to prop up its flagging support in regional Australia.

Mr Greg Barns, the Former Chief of Staff of Finance Minister John Fahey, told the ABC's *Latenight Live* earlier this year that:

I sat in Expenditure Review Committee. Why do governments cut the ABC?

Because they don't think they self censor enough. They think that this is our big chance, we've been waiting to do over this organisation, unlike Australia Post it actually says something and has views, and let's do it ...

But I think the real issue is the fact that you do get a little bit of cowering and you're currently getting it because relentless attacks by Ministers in the Government and Board members of the ABC eventually wears you down. That's the real issue.

As Mr Barns himself noted, his insight comes from having sat around the table with the most senior Ministers in the Howard-Anderson Government - including the Prime Minister, the Treasurer and Communications Minister Richard Alston - at the very time the Government slashed the ABC's Budget.

Mr Barns' comments expose the Howard-Anderson Government's politically motivated attacks for what they are.

Radio Australia

In 1996, the Coalition said that it was strongly supportive of Radio Australia's existing services and promised that they would not be '*prejudiced or downgraded in any way.*'

However, the Coalition's \$66 million funding cuts to the ABC, saw \$9 million a year cut from Radio Australia's Budget. The Government also removed Radio Australia off its Cox Peninsula transmission site, leasing it to another broadcaster.

Today, Radio Australia receives \$9.7 million less in appropriations for programming and content funding than it did in 1995-96 (*Source: ABC.*)

In August 2000, the Coalition promised to give Radio Australia an additional \$9 million over three years. However, in January 2001, the Government also broke that promise, providing Radio Australia with only an additional \$7.8 million over four years.

Australia Television

In 1996, the Coalition promised that it would '*maintain [the previous Labor Government's] commitment*' of funding for Australia Television and ensure that the Australia Television '*has a guaranteed long term place in the Asia Pacific region.*'

In 1997, the Government took Australia Television off the ABC and tendered it out to Channel Seven. When Channel Seven's contract expired earlier this year, the Government had put no new contract in place.

As a result, Australia Television went off the air.

This fiasco jeopardised much of Radio Australia's transmission into Asia, which had previously piggy backed on the Australia Television's signal. Fortunately, the ABC was able to acquire at short notice the necessary transmission capacity for Radio Australia but at an additional cost of \$600,000, an amount the Government was forced to pay.

Despite initially preventing the ABC from bidding for Australia Television, the Government ultimately relented and awarded the ABC the contract, something Labor had been arguing for ever since Australia Television had been taken from the ABC.

Radio Triple J

Immediately upon coming to office in 1996, the Howard Government refused the funding necessary to further expand the Triple J network into regional Australia. This funding has never been provided.

Perceived Politicisation of the ABC Board

Since coming to office, the Coalition has allowed the perception to be created that the ABC Board is stacked with its political mates.

Labor has always ensured that its appointments have been in the best interests of the ABC. Labor has also been bi-partisan in its approach, for example, by appointing a former Liberal Minister to the ABC Board.

By contrast, the majority of the appointments made by the Coalition have identifiable connections to the Government. The Coalition has not appointed any person with a known connection to any other political party.

In recent weeks, an unseemly internal faction fight has broken out between the Victorian and New South Wales Branches of the Liberal Party about the future of Managing Director Jonathan Shier. Government Ministers, from the Prime Minister down, have inappropriately sought to influence a vote of confidence by the Board in Mr Shier by publicly supporting him. This unacceptable interference with the independence of the ABC must stop.

Friends of the ABC

In 1996, the Coalition welcomed input from the Friends of the ABC and said that it would '*continue to encourage them to take an active interest in ongoing issues affecting the ABC.*'

However, since coming to office, the Prime Minister and Communications Minister Richard Alston have repeatedly refused to meet with the Friends of the ABC, baselessly accusing them of running a politically biased campaign against the Government.

While Labor has not always agreed with comments made by the Friends of the ABC, unlike the Howard Government, we have consistently respected their right to comment on matters affecting the ABC.

DIGITAL TELEVISION

The Howard Government has bungled the introduction of digital television and datacasting in Australia, with more interference than take up.

In 1956, more than 100,000 Australians watched the introduction of television.

But on 1 January 2001, no commercial digital television set top boxes or television sets were available in Australia. Even today, only 6,000 Australian households have the equipment necessary to watch digital television (*Source: Sydney Morning Herald, 28 October 2001*).

Yet, when digital broadcasting commenced, tens of thousands of Australians complained about the interference caused by the digital television signal to their analogue television reception.

DATACASTING

Datacasting has been an even bigger disaster.

The Government's restrictive genre-specific datacasting regime was so commercially unattractive that the Government was forced to abandon its planned data spectrum auction in May this year.

Since then, the Government has said that it remains committed to the 1998 Parliamentary framework on digital television and datacasting.

The only good thing to come out of the Government's datacasting debacle is that the spectrum has not been sold, preserving its use for the future.

AUSTRALIAN TELEVISION PRODUCTION

In 1996, the Coalition promised that it would continue to support the Commercial Television Production Fund, established by Labor in 1994.

However, the Coalition abandoned the Fund in 1997, only restoring it weeks before the election.

Together with the cuts to the ABC, the Coalition's abandonment of the Commercial Television Production Fund has undermined Australia's very successful television production industry, reducing the production of quality drama and children's television for the benefit of Australian viewers.

SUBSCRIPTION TELEVISION

In 1996, the Coalition promised that it would '*require subscription television network providers to provide access to their infrastructure from 1 July 1997.*'

Four and a half years later, and despite repeated attempts, C7 has been unable to secure effective access to Foxtel's cable, largely due to delays in the operation of the telecommunications access regime that have been evident since January 1999.

Despite repeated calls for it to do so, the Government is yet to make adequate changes to the access regime to ensure that access seekers, like C7, can effectively access these cable networks at reasonable prices.

COMMUNITY BROADCASTING

In 1996, the Coalition promised that it would '*develop a strategy for the migration of community radio and broadcasting to Digital Sound Broadcasting (DSB) technology.*'

In five and a half years, the Government has done nothing to effect this change.

In 2000, the Government left community television out of its plans for the transition to digital television and has only now started a consultation on how this might occur.

In 1996, the Coalition also said that it was '*anxious to pursue an independent role for community television on Australia's cable networks.*' This has not occurred.

Kim Beazley's Plan for Broadcasting

AUSTRALIAN BROADCASTING CORPORATION (ABC)

Labor will ensure that the ABC is an adequately resourced, genuinely independent, and truly national public broadcaster.

Labor recognises that there are four things that any Government must provide in support of the ABC. Governments must:

- provide intellectual leadership, re-affirming the special role the ABC plays in Australian society;
- ensure adequate resources, to enable the ABC to get the job done;
- appoint persons of merit to the ABC Board, to preserve the ABC's independence and to ensure the ABC is well-managed; and
- protect the ABC from inappropriate commercial influences.

Labor regards the ABC as a key component of its plans for the Knowledge Nation.

As a premier source of Australian education, information and entertainment, the ABC will play an even more central role in the future in ensuring that Australians, no matter who they are or where they live, can participate in the economic, cultural and civic life of our nation.

Intellectual Leadership

The Howard-Anderson Government has put the ABC under sustained financial and political pressure over the last five and a half years.

During that time, the Government has repeatedly failed to stand up for the ABC and to protect it from attack. When was the last time either the Prime Minister or Communications Minister Richard Alston praised the role of the ABC?

Instead, the Government has sought to silence the voice of the ABC by constantly accusing it of bias, without providing evidence to support its allegations. In fact, formal complaints show that the ABC receives equal criticism and praise across the community (*Source: ABC*).

The Howard Government has actively fostered a campaign against the ABC amongst certain commentators and has sought to cower our independent national public broadcaster.

The Government has also been highly critical of those, like the Friends of the ABC, who have sought to defend what they believe to be in the ABC's best interests.

The Government has even refused to reject proposals designed to undermine the ABC, such as the privatisation of Triple J, ABC On-line and the ABC Shops.

And when the Government didn't like the line of questioning, it sought to close down the Senate Estimates process, a process that allows the Parliament, and through it the Australian people, to hold ABC Management accountable.

By contrast, Labor will actively and publicly support the ABC.

Labor will continue to hold ABC Management accountable through the appropriate Parliamentary processes, including Senate Estimates.

ABC Funding

Labor will restore the ABC's funding to 1995-1996 levels within its first term.

Labor will provide the ABC with \$40.5 million a year in additional funding from the start of the next triennium, which commences on 1 July 2004.

In the interim, Labor will provide the ABC with a more immediate funding injection of \$10 million a year, commencing on 1 July 2002.

Labor respects the right of the ABC to independently determine how this funding will be spent.

However, Labor notes that the ABC has previously indicated its desire to spend any additional funding on:

- further improvements in rural and regional programming and transmission (the latter set out in the ABC's *Optimal Transmission Strategy*);
- the establishment of a North and Far North Queensland news and current affairs service, based in Townsville;
- providing additional funding for the Radio Australia services cut as a result of the Howard-Anderson Government's 1996 and 1997 funding cuts;
- additional drama, educational, science and family programming; and
- the establishment of additional digital multi-channel services.

Labor will maintain all other funding currently provided to the ABC in real terms, including funding for transmission and digital conversion.

Unlike the Howard-Anderson Government, Labor will never threaten the ABC's funding, nor make it a condition of its funding that the ABC perform its duties in a manner dictated by the Government of the day.

In the lead up to the finalisation of the ABC's next triennium funding agreement, Labor will consult with the ABC and the Australian community as to whether a suitable funding formula can be established that will better ensure the independence of the ABC or whether the current triennial funding arrangements should be retained.

In the meantime, Labor will retain triennial funding for the ABC and will consult with the ABC and the Australian community on whether funding should be provided on a quadrennial (four-yearly) basis.

Appointments to the ABC Board

Labor will appoint directors of the ABC Board on the basis of merit and with an eye to ensuring that they are broadly representative of the nation.

The Senate Environment, Communications, Information Technology and the Arts Committee's recent inquiry into ABC Board Appointments determined that the current lack of transparency in the appointment process is undermining community confidence in the independence of the ABC.

Consistent with *Kim Beazley's Plan for Public Administration*, Labor will provide greater transparency in making appointments to the ABC Board by:

- establishing clear statutory criteria for appointment to the ABC Board;
- advertising nationally all up-coming appointments;
- requiring all candidates for appointment to the Board to address the selection criteria in their application and to detail any potential conflicts of interest.

This process will retain the important principle of Ministerial and Cabinet responsibility that applies in relation to the appointment of Commonwealth statutory office holders, while providing a more transparent framework in which Australian citizens of good character and appropriate expertise can be appointed to the ABC Board.

The selection process will remain subject to Parliamentary scrutiny through the relevant accountability mechanisms, including Senate Estimates.

Openness and Transparency

Labor will encourage the ABC to be more accountable and consultative with its shareholders, the Australian public, and to provide, wherever possible, reasons for major decisions.

In particular, Labor will encourage the ABC to consult with the Australian people about any major changes in policy or significant changes in the allocation of resources.

This greater transparency will help foster greater community confidence in the management of the ABC.

Enhanced Protection from Commercial Influences

Unlike the Howard-Anderson Government, Labor opposes the privatisation of Radio Triple J, ABC On-line or the ABC Shops.

Nor does Labor support the creation of a two-tiered ABC, with premium content available for those willing to pay and other content available for the rest.

Rather, Labor supports the principle that the ABC should be equally accessible by all Australians.

The Senate Inquiry into the proposed Telstra-ABC On-Line arrangement highlighted the need for the Act and Charter of the ABC to be updated to reflect the increased use of online and new media services. Currently these services are only protected from inappropriate commercial influences by decisions of the ABC Board, including the application of the ABC's editorial policies.

Accordingly, Labor will legislate to extend the current Act and Charter of the ABC to the ABC's new media services, including ABC On-line and any datacasting service the ABC may provide.

Labor's policy will extend the current ban on advertising to the ABC's online and new media services.

Labor will consult with the ABC Board and the Australian community before finalising its proposed amendments to the *ABC Act* and Charter.

Radio Australia and Australia Television

Unlike the Howard Government, Labor will provide consistent support to the ABC's international broadcasting services, Radio Australia and Australia Television.

Radio Australia and Australia Television play an important role in explaining Australia's values to the world, and in particular encouraging closer ties with our Asian and South Pacific neighbours, as well as serving the needs of Australians living abroad.

Both services demonstrated their importance to the nation during recent difficulties experienced by a number of Australia's neighbours, including East Timor, Indonesia, Fiji and Bougainville.

But services are even more vital in this time of international uncertainty.

The ABC has already indicated that any additional funding may be used to increase Radio Australia's program production in the following languages: English, Indonesian, Pidgin, Mandarin, Vietnamese, Khmer, Japanese, Korean, Thai, Hindi and French.

The ABC has also indicated that it would like to establish a full text/audio capacity for Radio Australia's on-line service.

Labor will honour the five-year contract for the provision of Australia Television, signed by the Howard Government and the ABC. At the conclusion of that contract, Labor will roll the funding for Australia Television into the existing funding base for the ABC. This will ensure the future of Australia Television as the ABC's overseas television broadcasting arm.

SPECIAL BROADCASTING SERVICE (SBS)

Labor recognises that the SBS provides a unique national broadcasting service that promotes a multicultural and united Australia, delivering services to Australians that are not offered by either the ABC or the commercial broadcasting sector.

Similar to the ABC, Labor recognises that the SBS needs to be supported in a number of ways. Governments must:

- provide intellectual leadership, re-affirming the pivotal role the SBS plays in Australian society;
- ensure adequate resources, to enable the SBS to get the job done;
- appoint persons of merit to the SBS Board, to preserve the SBS's independence and to ensure the SBS is well-managed; and
- maintain the current limits on the SBS's commercial activities.

Funding

Labor will maintain current levels of funding to the SBS.

Labor will also honour the Howard-Anderson Government's recent extension of funding for SBS Independent. SBS Independent was established by the previous

Labor Government and continues to prove highly successful and innovative in producing quality Australian drama and other content.

Board Appointments

Labor will adopt the same transparent process for SBS Board appointments as will apply to ABC Board appointments.

In developing selection criteria for appointments to the ABC Board, Labor will be mindful of the different role performed by the SBS.

Updating the SBS Act and Charter

The Senate Inquiry into ABC On-line also highlighted the need for the Act and Charter of the SBS to be up-dated to reflect its provision of new media services, including on-line and datacasting services.

Accordingly, Labor will also update the Act and Charter of the SBS to reflect these new media services. In so doing, Labor will be mindful of the different role performed by the SBS, in particular the fact that sponsorship is permitted on the SBS.

Labor will consult with the SBS Board and the Australian community before finalising its proposed amendments to the *SBS Act* and Charter.

UNRESTRICTED DIGITAL MULTI-CHANNELING FOR THE ABC AND THE SBS

Labor will legislate to allow the ABC and the SBS to engage in unrestricted multi-channelling.

During the June 2000 debate on digital television, Labor moved amendments to permit the ABC and the SBS to engage in unrestricted digital multi-channelling.

However, the Howard-Anderson Government indicated that it would not accept Labor's amendments, if the Senate amended the Bill.

Accordingly, Labor negotiated with the Government a regime that would allow the ABC and the SBS to engage in multi-channelling but subject to certain content restrictions.

Australia's first digital multi-channel, ABC Kids, was launched in August this year. ABC Kids, the newly launched Fly TV and the proposed SBS youth channel would not have been possible but for the compromise forced on the Government by Labor.

At the time of negotiating its compromise with the Government, Labor indicated that it would allow the ABC and the SBS to engage in unrestricted multi-channelling when elected to office.

Labor subsequently sought to legislate this commitment but was blocked from doing so by the Government and the Australian Democrats. Fortunately, the Australian Democrats have since proposed an amendment identical to Labor's.

COMMUNITY BROADCASTING

The community broadcasting sector is vital to the provision of quality local and diverse media to all Australians.

Labor regards community broadcasting, both radio and television, as the third tier of the free-to-air broadcasting system and will encourage its growth wherever possible.

As part of our commitment, Labor also supports the ethnic community broadcasting sector. This reflects Labor's wider approach to a National Cultural Policy. Labor recognises that culture embodies the energy and spirit of our nation through the creative expression of ideas and imagination.

Labor is committed to supporting and promoting local opportunities for cultural expression and cultural experiences for all Australians whatever their backgrounds and wherever they live.

In a democracy, a necessary part of effective participation is equitable access to both local and diverse sources of information and opinion. It is also of fundamental importance to Australians that our news and entertainment services reflect our own values and priorities.

The celebration of both our local and diverse cultures expressed in uniquely Australian voices is important for our vision of ourselves and for the view of Australia overseas. This requires Australian Governments to commit to the promotion of local content development and availability.

Ensuring that local community voices continue to be heard, whether they speak English or another language, will continue to be a priority for Labor.

Community Broadcasters and Digital Broadcasting

As a result of amendments made to the digital television and datacasting regime proposed by Labor in June 2000, the Government is currently reviewing the regulatory arrangements (including the transitional costs) for the digital transmission of community television broadcasting.

Labor welcomes this review and will ensure that adequate transitional arrangements are put in place to allow community television to make the transition to digital broadcasting.

The review is intended to implement the Government's 1998 promise that community television broadcasting services would '*be guaranteed free access to the spectrum needed to broadcast one standard definition channel.*' Labor will honour this commitment.

In so doing, Labor will move community television broadcasting services from their current open narrowcasting licences to community television licences.

Labor will also require the ABA to consider community broadcasting in all area licence plans.

Funding

Just prior to the election, the community and ethnic broadcasting sectors approached the Government for additional funding. The Government has

already rejected that request. Labor will consult further with these community broadcasters prior to its first Budget.

In the meantime, Labor will maintain funding to the community and ethnic broadcasting sector.

DIGITAL TELEVISION AND DATACASTING

Australia has embarked on the introduction of digital television and datacasting.

There are already strong indications that the Government's framework for digital television and datacasting is failing. In particular:

- the inability to source any digital televisions or set-top boxes for the start up of digital television on 1 January 2001 and the continued low take-up of set-top boxes by consumers;
- the limited international use of High Definition Television as anything other than a premium service;
- the inconsistencies in the standards adopted for Australian Standard Definition Television and overseas standards, increasing the cost and difficulty of sourcing both content and equipment; and
- the current absence of datacasters.

If digital television is to succeed in Australia, then new content and interactivity will be important.

Labor's support for digital multi-channelling for the ABC and the SBS has already led to the creation of the first two new digital television channels: ABC Kids and Fly TV. The ABC and the SBS have indicated that more channels are planned.

Labor's restoration of funding for the ABC and the removal of the Government's restrictions on the ABC's and the SBS's ability to multi-channel will allow even more new content to be produced.

Review of HDTV

Labor will bring forward the planned statutory review of the mandated minimum quota for HDTV on coming to office. Currently, that review is scheduled for completion by 1 January 2003.

The 1998 Parliamentary framework for digital television assumed that HDTV would become the predominant technology in Western Europe, the United States and Japan. As the Productivity Commission found in its March 2000 Report on Broadcasting, it has not. And while there has been some further adoption of HDTV in the US market as a transmission standard, this has still not become widespread, nor has it been widely adopted as a production standard.

Delaying Regional Broadcasters HDTV Requirements

Labor will delay the requirement for regional television networks to broadcast the minimum quota of HDTV until a reasonable period of time after the review of HDTV has been completed.

At present, many regional television networks will be required to invest in HDTV production and transmission equipment prior to the mandated first digital transmission date on 1 January 2004.

Labor will allow regional networks to continue to prepare for HDTV broadcasting, if that is their wish.

Datacasting

Since the failure of the datacasting spectrum auction in May this year, some in the wider communications, broadcasting and media industries have questioned whether there is still a future for datacasting in Australia. Labor acknowledges these concerns.

Labor will first confirm that there are commercial interests genuinely interested in providing datacasting services.

If so, Labor will then amend the Howard Government's datacasting restrictive genre-specific regime to allow maximum flexibility in the provision of datacasting services, while maintaining the ban on *de facto* broadcasting as agreed by the 1998 Parliamentary framework.

Labor's approach has been strongly supported by independent expert opinion and was consistent with the recommendations made by the Productivity Commission's March 2000 Report on Broadcasting.

Labor will also investigate options for the provision of suitable government services and information using datacasting. Just like the Internet, datacasting provides further opportunities for governments to provide services and information in ways that are more accessible for the users of them.

Technical Standards for Digital TV and Datacasting

The Howard Government's approach to digital television and datacasting has seen Australia adopt unique technical standards. This has created difficulties in sourcing, and has increased the cost, of reception equipment (including digital televisions and set-top boxes.)

Labor will have the ABA and Communications Australia (currently the Australian Communications Authority) review the technical standards to see if they can be made more compatible with widely adopted international standards, helping reduce the cost and increasing the availability of reception equipment.

Development of Interoperability Standards

The Australian Communications Authority currently has some power to determine interoperability standards between digital equipment.

Labor will review the powers available to Communications Australia to assist with the development of co-regulatory standards to ensure the interoperability of digital equipment. This will help prevent anti-competitive conduct from occurring in the provision of digital equipment.

These standards will primarily be developed by industry, through a co-regulatory framework and be subject to the approval of Communications Australia. The Australian Broadcasting Authority will assist Communications Australia as required. A co-regulatory framework will increase industry confidence in the process and reduce the risk of inappropriate regulation being enacted.

Communications Australia will also have the power to impose interoperability standards where it believes that a suitable co-regulatory framework cannot be

developed in a timely manner. This may occur where one or more industry participants seek to use their market power to prevent reasonable industry agreement from being achieved.

The development of co-regulatory Interoperability Standards will be conducted from within the existing resources of Communications Australia and the Australian Broadcasting Authority.

DIGITAL RADIO

The cost of converting to digital radio is significant for both radio stations and consumers. Digital radio is still at an early stage of development in the United Kingdom and Germany and is yet to be widely adopted in most other markets.

It is unclear whether there is a demonstrated consumer demand for the digital radio. Nor are the same bandwidth efficiencies available from the transition to digital radio as are available in the transition to digital television.

To ensure bandwidth is available for any future transition, Labor will require Communications Australia to ensure that appropriate spectrum is available and, if necessary, advise on appropriate competition constraints.

By contrast with the Howard Government's mishandling of digital television, Labor will ensure that Communications Australia, the Australian Broadcasting Authority, prospective digital radio licensees and the manufacturers of digital radios, television set-top boxes and car manufacturers work together to ensure reception equipment will be widely available when digital radio commences.

The Productivity Commission's March 2000 Report on Broadcasting recommended that digital radio should be introduced as additional to, and not as a substitute for, AM or FM radio. Labor supports this approach.

This model was successfully applied with the introduction of FM radio in Australia and is consistent with the approach currently being taken in the United Kingdom and Germany.

REGIONAL TELEVISION AND RADIO

Labor will work with commercial broadcasters to ensure minimum amounts of local content are maintained on regional television and radio networks.

The inquiry by the House of Representatives Committee on Communications, Transport and the Arts into the Regional Radio industry received 290 submissions, the vast majority from Australians expressed concern about the loss of local news and information on some regional television and radio services.

While many regional television and radio services continue to do an excellent job, the evidence to the Committee has identified areas where improvement is clearly necessary.

In particular, many communities are concerned about the impact that 'networking' or 'hubbing' is having on the amount of local content on some regional radio stations.

Further, the people of South-East New South Wales, the ACT, the Illawarra and the Hunter were angered by a decision by Prime Television to stop broadcasting their local news services earlier this year.

Labor will respond to those concerns by working with affected communities and the regional TV and radio industries to develop an enforceable Industry Code of Practice that will ensure minimum levels of local news and community information.

In developing the Code with industry, Labor will be mindful of the need not to place too onerous a burden on the providers of vital rural and regional services.

Labor also welcomes the radio industry's response to community concerns about access to emergency warning announcements.

The Federation of Australian Radio Broadcasters has already commenced public consultation on an Industry Code of Practice covering this important issue. Labor encourages members of the community to let the industry know their views on the adequacy of that draft Industry Code.

Labor's additional funding to the ABC will also help secure and strengthen the regional television and radio services provided by the ABC.

ENSURING DIVERSITY IN A DIGITAL AGE

Labor will adopt a comprehensive approach to protect diversity in Australia's broadcasting and media sectors.

Public and Community Broadcasting

As already indicated, Labor will continue to support both public and community broadcasters as key providers of diverse local and Australian content in the digital age.

Labor will also ensure that public and community broadcasters are afforded due prominence on digital distribution platforms, including electronic program guides.

Cross and Foreign Media Ownership Laws

Labor is committed to diversity in both the ownership and operation of free-to-air and pay television, radio, newspapers and new media services.

Labor recognises that the convergence of new technologies may provide new opportunities and challenges for Australia's media but believes that the strategic objective of diversity should continue to be secured by a range of measures.

Labor will retain cross and foreign media ownership laws.

The current cross and foreign media ownership laws were implemented by Labor in 1987 as tactical devices designed to ensure diversity in Australia's broadcasting and media sectors, for the benefit of Australian consumers.

Removing these laws at the present time could substantially reduce diversity of ownership.

This is particularly true given the failure of the Howard-Anderson Government's digital television and datacasting regime to foster greater diversity in Australia's broadcasting and media sectors.

The Howard-Anderson Government's plans to remove the media ownership laws will see a reduction in diversity.

By contrast, Labor's policy is consistent with the recommendations of the Productivity Commission's March 2000 Report on Broadcasting.

ENSURING AUSTRALIAN AND CHILDREN'S CONTENT

Labor is committed to plurality of content and maximum levels of Australian content in free-to-air and pay television, radio and emerging new media services.

Labor recognises that as the Internet emerges as an independent medium delivering broadband content, opportunities to maximise Australian content and build the Australian digital content industry must be actively pursued.

The laws regulating minimum quotas of Australian and children's content on television and radio may also become less effective in a convergent environment, particularly as content may increasingly become available through mechanisms effectively outside the Commonwealth Government's control.

However, the principles underlying these laws have been vital in maintaining Australia's unique cultural identity, educating and entertaining our children and in developing our domestic content industries.

Labor remains committed to the principles underlying these laws and will monitor developments to ensure effective means are in place to ensure the continued availability of Australian and children's content in an increasingly convergent environment.

Australian Television Production

Supporting innovative television production is an important part of ensuring that Australians continue to hear their own stories, told in their own voices.

Labor recognised the importance of Australian television production when it established the Commercial Television Production Fund in 1994.

In a short-sighted move, the Howard Government abolished the Fund in 1997.

Now, in the dying days of the Howard Government, the Fund has been restored.

Labor will maintain funding for the re-instated Commercial Television Production Fund.

Australian Children's Television Foundation

The Australian Children's Television Foundation has long provided international award winning Australian children's programming for the benefit of children and parents living in Australia and around the world.

Labor will maintain current funding for the Australian Children's Television Foundation.

Australian Content on Pay Television Documentary Channels

Currently, the Australian content laws require free-to-air networks to ensure a minimum amount of their documentary programs include Australian content. There is no such requirement on pay television documentary channels.

Labor will expect Pay Television Documentary Channels to meet the Australian content standard. This will ensure medium neutral regulation of both the television and pay television industries.

PAY TELEVISION**Live Free-to-Air Sport**

Labor is committed to ensuring that Australians can continue to watch their favourite sports live on free-to-air television, in particular cricket, the Australian Football League and the National Rugby League.

Labor will retain strong anti-siphoning and anti-hoarding laws.

Many sports lovers are concerned by the failure of the commercial and public broadcasters to broadcast in full events captured by the anti-hoarding rules.

The most recent example was the failure of any of the commercial or public networks to broadcast the first session of this year's Ashes cricket tour.

While Labor would have preferred the rights-holding broadcaster to have shown that event live in full, Labor welcomed the subsequent decision to allow some community broadcasters to televise live the first session of each day's play.

The Australian Broadcasting Authority recommended in August that changes should be made to the anti-siphoning list.

Labor will ensure that Test and one day matches of the Australian cricket team played outside Australia and the United Kingdom remain on the anti-siphoning and anti-hoarding list.

Labor will not remove any sport from the list unless there is a clear and demonstrated failure by the free-to-air networks to broadcast that sport.

Labor will consult with the Australian community, the broadcasting industry and other affected sports to further consider the ABA's recommendations prior to reaching a concluded view.

Access to Pay Television Infrastructure

Australia's digital cable networks are key platforms for our nation's broadband future.

The failure to achieve open access on these currently analogue networks over the last five years, let alone the digitisation of these networks, has been another significant policy failure by the Howard Government.

As with competition over Telstra's local loop, competition for the provision of pay television or data services over these networks has been frustrated by the delays in the telecommunications access regime.

In this context, Labor has argued that the Productivity Commission's final report on the telecommunications access regime should be used as a vehicle for overcoming regulatory barriers to investment.

Labor will sit down with the industry to ensure that Foxtel and Optus digitise their cable networks as open networks on fair terms and conditions to both the infrastructure provider and the access seeker.

SPECTRUM MANAGEMENT

Spectrum Audit

While the need to find additional available spectrum to meet the future needs of wireless and broadcasting services is less pressing in Australia than in Europe and North America, due to our comparatively small population, the relative availability of spectrum has meant that Australia has not always managed its spectrum in the most efficient manner.

Labor will ask Communications Australia to conduct a spectrum audit as a first step in considering the future uses of spectrum. In conducting this audit, Communications Australia will be required to ensure the continued availability of spectrum for public interest and community uses.

The spectrum audit will be funded out of the current resources of the Australian Communications Authority.

Management and Pricing Principles

Labor will monitor the current Productivity Commission inquiry into the *Radio Communications Acts* and associated matters to ensure that Australia continues to effectively and efficiently allocate spectrum, while preserving public interest and community uses.

Labor's response to the review will be aimed at ensuring that any future uses of spectrum are consistent with international best practice for spectrum management and price determination.

Where the use of spectrum is rationalised, Labor will seek to ensure that change occurs with the minimum of disruption and cost. Labor will ensure that current public and community users of spectrum will be reasonably compensated should they incur any increased cost as a result of any transitional arrangements.

Labor will ensure that efficient principles for the pricing of spectrum continue to be adopted and will examine whether the constraints on the trading of spectrum should be reformed. These measures will help ensure that spectrum is allocated and used by the most efficient user of that spectrum and will allow greater flexibility to manage the need for spectrum given inevitable changes in future patterns of use.

BETTER COMMUNICATIONS INFRASTRUCTURE

Labor's \$140.5 million three year National Connectivity Fund, to commence in 2003-04, will make money available to help ensure more equitable delivery of communications infrastructure, particularly in rural and regional Australia.

The Fund will prioritise communications infrastructure that enables the delivery of multiple and, where possible, convergent communications needs in particular, through the development of broadband infrastructure and content.

The Fund will enhance the access of rural and regional Australia to television, radio, mobile phone, dial-up Internet and broadband services.

More details of the Fund are contained in ***Kim Beazley's Plan for Telecommunications***.

Costing

	01-02	02-03	03-04	04-05	Total
Australian Broadcasting Corporation	0	10.0	10.0	40.5	60.5
Special Broadcasting Service	0	0	0	0	0
Unrestricted Multi-channelling for the ABC and SBS	0	0	0	0	0
Community Broadcasting	0	0	0	0	0
Digital Television and Datacasting	0	0	0	0	0
Digital Radio	0	0	0	0	0
Regional Radio and Television	0	0	0	0	0
Ensuring Diversity in a Digital Age	0	0	0	0	0
Australian and Children's Content	0	0	0	0	0
Pay Television	0	0	0	0	0
Spectrum Management	0	0	0	0	0
Better Communications Infrastructure ¹	0	0	10.0	55.0	65.0
TOTAL (millions) ²	0	10.0	20.0	95.5	125.5

1. This initiative totals \$140.5 million over five years and is announced in *Kim Beazley's Plan for Telecommunications*.
2. The net budgetary impact in \$m is:

01-02	02-03	03-04	04-05	Total
0	10.0	10.0	40.5	60.5