



Australian Government

**Australian Government response to the Joint
Select Committee on Broadcasting Legislation
report:**

Three broadcasting reform proposals

March 2018

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Overview

The Australian Government notes the report by the Joint Select Committee on Broadcasting Legislation (the Committee) into *Three broadcasting reform proposals*.

On 13 and 14 March 2013, the House and Senate respectively established the Committee to inquire into and report on three potential areas for further reform of Australia's broadcasting legislation, with particular reference to:

- (a) the abolition of the 75 per cent rule, particularly in relation to regional and local news;
- (b) whether the Australian Communications and Media Authority (ACMA) should be required to examine program supply agreements for news and current affairs when determining whether a person is in control of a commercial television broadcasting service; and
- (c) on-air reporting of ACMA findings regarding Broadcasting regulation breaches.

The Committee received 13 submissions (and a number of supplementary submissions), and held public hearings. The Committee made two recommendations, and tabled its report on 24 June 2013. The Committee did not make any recommendations in relation to whether the ACMA should be required to examine program supply agreements.

Context

The Committee was established at the same time as the Government introduced legislation responding to two media-related inquiries that were completed in 2012: the *Independent Inquiry into the Media and Media Regulation* (the Finkelstein Review); and *The Convergence Review*.

- The Finkelstein Review was set up in 2011 and was tasked with examining current media codes of practice and how they related to technological convergence and the production of quality news, and how to strengthen the independence and effectiveness of the Australian Press Council.
- The Convergence Review was initiated in 2010 to examine the policy and regulatory frameworks that apply to the converged media and communications landscape in Australia.

On 12 March 2013, Senator the Hon Stephen Conroy, the then Minister for Broadband, Communications and the Digital Economy, announced the formal response to both the Finkelstein Review and the Convergence Review, referring to a series of proposed reforms and that a parliamentary committee would be established to consider three further areas of potential reform.

Australian Government response

The Australian Government's response to *Three broadcasting reform proposals* is set out in detail below.

Recommendation 1:

1.55 The Australian Government introduce legislation to abolish the 75 per cent audience reach rule, provided there is legislation or legally enforceable undertakings to safeguard local content in regional Australia. Prior to the introduction of the legislation, a clear definition of local content needs to be established which ensures regional viewers have access to appropriate levels of high quality, locally devised, and locally presented programming.

The Government **supports** this recommendation.

The *Broadcasting Legislation Amendment (Broadcasting Reform) Act 2017* (the Act) passed the Parliament and received Royal Assent on 16 October 2017. The Act removed two outdated media control and ownership rules—the '2 out of 3 cross-media control rule' and the '75 per cent audience reach rule'. Australian media companies now have the flexibility to optimise their business structures and compete more effectively in what is an increasingly global media environment.

The Act also introduced new local programming obligations for regional commercial television broadcasting licensees where a change in control, known as a 'trigger event', results in a licence forming part of a group of commercial television broadcasting licences whose combined licence area populations exceed 75 per cent of the Australian population. Local content is counted on a points 'per minute' basis.

In the 'aggregated markets' of northern New South Wales, southern New South Wales, regional Victoria and regional Queensland, and in Tasmania, the new obligations increase the amount of local content required to be broadcast from 720 points of material of local significance per six-week period to an additional 30 points following a trigger event with 900 points of material of local significance per six-week period.

Local content obligations will be imposed for the first time following a trigger event in non-aggregated markets, for example Darwin, Mildura, Griffith, Broken Hill and regional population centres in South Australia and Western Australia. Affected licensees will be required to broadcast 600 points of material of local significance over each six week period.

These new measures provide a clear incentive for local content to be filmed in the local area. Licensees can claim one point per one minute of local content that relates to the licence area, two points per minute of local area news, and three points per minute of local news that is filmed within the local area.

Recommendation 2:

1.72 The Australian Government, following consultation with industry, introduce legislation to give the Australian Communications and Media Authority the power to require on-air corrections, clarifications and directions based on its findings.

The Government **does not** support this recommendation.

The introduction of an additional power to enable the ACMA to require on-air corrections or clarifications would be inconsistent with the Government's commitment to reduce the regulatory burden on industry. The introduction of such a power is also unwarranted at the current time. A comprehensive review of the ACMA was completed in October 2016, and examined the regulator's objectives, functions, structure, performance, governance and resource base. The Final Report of the Review of the Australian Communications and Media Authority noted that the regulator generally has a broad range of enforcement powers available to it to respond to code or licence condition breaches.