

Anti-siphoning investigation

The Minister for Communications, Information Technology and the Arts has asked the ABA to assist with a review of the events protected under anti-siphoning provisions of the *Broadcasting Services Act 1992*.

In a direction of 22 December 2000, the Minister requested the ABA conduct an investigation into which events should be removed from or added to the anti-siphoning list. The investigation is also to report on the date or dates on which protection should expire for these events.

In conducting the investigation the ABA is to have regard to the policy that an event should only be included in the list if the event has been consistently broadcast by free-to-air television broadcasters in the past five years.

Siphoning means the obtaining of the exclusive rights (i.e. both free-to-air and pay TV rights) by a pay TV licensee to broadcast an event (or events), so that those events cannot be received on free-to-air television and would only be available to subscribers of the pay TV service.

The anti-siphoning regime is a mechanism by which the Minister can formally list events which are to be available on free-to-air television for viewing by the general public. The anti-siphoning list is not a list of sporting events reserved solely for free-to-air television. It does not compel free-to-air broadcasters to acquire the rights to listed events and does not guarantee them exclusive rights to such events. However, it does give them priority over pay TV licensees for the acquisition of rights to listed events.

The current anti-siphoning list contains sports events in 11 categories and has effect until 31 December 2004. The exception to this is the 2006 tournament of the FIFA World Cup Soccer which was added to the list by the Minister in May 2000.

Under the anti-siphoning rules the right to broadcast listed events can only be acquired by pay TV licensees if broadcast rights are held by commercial television licensees (who have the right to televise the event to a total of more than

50 per cent of the Australian population) or by a national television broadcaster (the ABC or SBS).

The ABA will invite public submissions on an issues paper scheduled for release in early February 2001.

The issues paper will be found on the ABA web site at www.aba.gov.au/whats_new/index.htm and public submissions will be placed on the web site as they are received.

The ABA is due to report to the Minister by 30 June 2001.

ABA collects \$211.4m in television and radio licence fees

The ABA has collected commercial broadcasting licence fees of \$211.4 million. The fees are based on revenue earned by commercial television and radio services during the 1999–00 financial period.

'This is a modest increase on last year's figure of \$211.1 million, reflecting the rebates that have been claimed by eligible regional television licensees,' said Professor Flint. 'These are licensees who have indicated they will convert from analog to digital transmission by 30 June 2001 and may claim a rebate under the Regional Equalisation Plan.'

The ABA collected \$196.9 million from 48 commercial television services (compared with \$198.4 million from the same number of services in the previous year) and \$14.5 million from 240 commercial radio services (compared with \$12.7 million from 226 services in the previous year).

Annual licence fees are calculated on a percentage of a licensee's gross earnings for the previous financial period. Figures from licence fees paid by individual operators are not published in order to preserve confidentiality. A small number of operators have yet to pay or have not paid the correct fee. Licence fees collected go to the Commonwealth's consolidated revenue.

The introduction of the Regional Equalisation Plan in 2000 enabled regional television licensees to claim rebates totalling \$15.1 million. This recognises that regional television licensees face higher per capita costs in converting to digital broadcasting, compared with 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.

Submissions

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