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1. About this paper

Encouraging diversity in the control of the more influential broadcasting services is an object of the *Broadcasting Services Act 1992* (BSA), which sets limits on the control of commercial broadcasting services and newspapers associated with their licence areas.

Media diversity refers to the ability of citizens to access and consume a wide range of viewpoints without any one media owner or controller exercising too much influence. Among other factors, this is seen to support an informed citizenry and more effective democracy.

It is arguably most important in relation to the news genre, due to its ability to inform and shape community views in a democracy, particularly in relation to politics. As such, this paper focuses on diversity issues associated with this particular genre of media content.

Media diversity regulation seeks to ensure access to a wide variety of influential media 'voices', with ownership or editorial control of these voices spread over a number of organisations. A 'voice' could be described as a media owner – whether that owner controls a television service or network, a radio service or network, a newspaper, a website, or a combination of these. This is based on the premise that the media is able to influence the issues audiences pay attention to by 'framing' (setting the context in which an issue is analysed) and 'agenda-setting' (identifying, promoting and ordering news content in such a way that affects the relative importance of a given issue).

Accessing online news, current affairs and opinion, in a variety of forms, has become more prevalent since the last time the control and ownership rules were substantially revised with the passage of the *Broadcasting Services Amendment (Media Ownership) Act 2006*. Indeed, the business of news media production and distribution has changed dramatically since this time, as has the social and cultural environment in which news is originated and consumed.

However, it is unclear what these changes will mean for the future of professionally produced news media and, in turn, the policy and legislative settings that should govern them. In this regard, there is an ongoing debate about the extent and form of regulations to support diversity in a contemporary media setting. This paper seeks to further that discussion. It examines the current rules, their practical workings, and how they fit into the broader regulatory environment.

However, it is important to note that this paper does not draw conclusions or make specific recommendations. As articulated in its Deregulation Roadmap for the Communications portfolio, the Australian Government will consider potential reforms to the media ownership rules in 2014. The Government intends to consult widely with stakeholders before developing any specific proposals.

2. Media control rules

Outline of the existing rules

Media diversity is directly regulated by the BSA through limits placed on the control of licensed commercial broadcasting services and associated newspapers. This legislative framework, which is overseen and administered by the Australian Communications and Media Authority (ACMA), seeks to ensure media diversity in the more influential services: commercial television broadcasting, commercial radio broadcasting and associated print newspapers.¹ This is based on the assumption that the media services that exercise the greatest level of influence on the community, in terms of news and public opinion, should be regulated at a higher level than less-influential services. In summary, the control rules are as follows:

'5/4' rule (the 'minimum voices rule')

- > At least five independent media 'voices'² must be present in metropolitan commercial radio licence areas, and at least four in regional commercial radio licence areas.

'2 out of 3' rule (the 'cross-media ownership rule')

- > Mergers can't involve more than two of three regulated media platforms (commercial television, commercial radio and associated newspapers) in any commercial radio licence area.

'75 per cent audience reach' rule

- > A person, either in their own right or as a director of one or more companies, must not be in a position to exercise control of commercial television broadcasting licences whose total licence area population exceeds 75 per cent of the population of Australia.

'One-to-a-market' rule

- > A person, either in their own right or as a director of one or more companies, must not be able to exercise control of more than one commercial television broadcasting licence in a licence area.

'Two-to-a-market' rule

- > A person, either in their own right or as a director of one or more companies, must not be able to exercise control of more than two commercial radio broadcasting licences in the same licence area.

An 'associated newspaper' is one that is linked in terms of circulation with the relevant licence area. Specifically, a newspaper is 'associated' with a commercial television broadcasting licence if more than 50 per cent of its circulation is within the

¹ The control rules do not apply to commercial television broadcasting licences allocated under sections 38A, 38B and 38C and commercial television or commercial radio broadcasting licences allocated under section 40.

² A 'voice' is a commercial television broadcasting licence, a commercial radio broadcasting licence or an associated newspaper (a 'media operation'), or a group of two or more media operations (a 'media group'). A standalone media operation and a separate media group each count for one 'point' under the 'minimum voices rule'.

relevant licence area, while a newspaper is associated with a commercial radio broadcasting licence if more than 50 per cent of its circulation is within the relevant licence area and the newspaper's circulation covers at least 2 per cent of the licence area's population.

Most small, community papers do not meet this threshold. Perhaps more importantly, this also excludes the national newspapers, *The Australian* and the *Australian Financial Review*. As a consequence, the ownership of these papers is not regulated through the media control rules.

The BSA enables the ACMA to give prior approval for temporary breaches of these control rules, which require the applicant to take action to remedy the breach within a specified period (not more than 2 years). The ACMA may specify the actions that the party or parties need to take to remedy the breach (including divestment of assets) and, in the case of the 5/4 and 2 out of 3 rules, have regard to undertakings made by these parties concerning remedial actions.

The BSA also imposes obligations on regional commercial radio broadcasting licensees to maintain and report levels of local material and maintain local facilities in their licence areas where they are subject to a change in control known as a 'trigger event'. Although these rules do not form part of the control rules aimed at supporting media diversity in a broad sense, they do use a modified version of a change in control as the 'trigger' for the additional localism obligations.

There are two important concepts entwined in the control rules:

- > With the exception of the audience reach rule, the control and ownership rules place minimum floors on the control of regulated assets within specific geographic markets (based on commercial radio licence areas), rather than operating at the regional, state or national level. The concept of a 'market' for media services, at least in terms of this regulation, is therefore rigid and relatively local.
- > They are based on the concept of 'control', not ownership per se. If a person has company interests exceeding 15 per cent, they are regarded as being in a position to exercise control of the company. However, holding company interests is not the only way to be in a position to exercise control. Other examples of control are if the person: is the licensee; can control the selection or provision of a significant proportion of the licensee's programming; can control a significant proportion of the operations of the company; can appoint, secure or veto the appointment of at least half of the board of directors; or can exercise direction or restraint over any substantial issue affecting the management or affairs of the licensee or company.

Similar criteria apply to newspapers, their publishers and persons exercising control of them.

As noted, control does not necessarily equate to economic ownership, and this is intended to ensure that businesses cannot use various ownership structures or holding companies to avoid regulation.

It also needs to be highlighted that the focus on diversity in the *control* of broadcasting licences and associated newspapers does not equate to a diversity of *services or products*. Indeed, both in theory and in practice, competitive markets (as opposed to concentrated markets characterised by monopoly or oligopoly) tend to result in ‘sameness’ and little product differentiation.³ Based on ‘Hotellings Law’, this principle of minimum differentiation suggests that in competitive media markets, such as the commercial radio markets in Sydney and Melbourne, the output (i.e. the radio services) will tend towards homogeneity, where it is rational for stations to optimise market share and occupy the ‘middle ground’ in terms of format and programming.

Limits of the current rules

The existing media control rules impose relatively straight forward, quantitative limits on who can control certain types of broadcasting licence and certain types of newspapers, in concert with other such regulated platforms in a given market. In this sense they are reasonably clear to industry participants and do not normally require formal assessment or involvement from the regulator prior to a potential acquisition taking place (although provision is made for parties to seek temporary approval for breaches, discussed above). This is in contrast to merger and acquisition activity regulated under the *Competition and Consumer Act 2010* (CCA), for example. In examining anti-competitive conduct and mergers, the ACCC examines proposals on a case-by-case basis. This allows the ACCC to not only to take account of the specific character of the transactions involved, but also any changes in the industry at the time the conduct or merger is occurring.

This distinction highlights one of a number of limitations of the current media control rules, which are summarised below.

- > They are weighted to only three traditional media forms – commercial television, commercial radio and certain newspapers associated with those broadcasting services. This ‘weighting’ reflects the views of the Parliament in 1992.
- > Therefore they do not take account of other sources of news and opinion – subscription television services, national newspapers, local regional or community newspapers, community and national television and radio broadcasters – that may provide local news and opinion of value to communities. As noted in Section 1, this paper focusses explicitly on diversity issues associated with this genre of media content.
- > They also exclude online media. The unequal regulatory treatment in terms of control based on platform is becoming more pronounced given the prominence and use of online news services in the community which includes stand-alone news sites, online versions of offline news services, news aggregators, independent news content providers, and search engines.

³ Van Cuilenburg, V 1999, *One competition, access and diversity in media, old and new*, New Media and Society, August 1999, vol 1, issue 2, <http://nms.sagepub.com/content/1/2/183.abstract>.

- > They are based on numbers of platforms and not influence, and regulate platforms regardless of whether these platforms provide significant amounts of ‘influential’ content (primarily news and related content). News, current affairs and opinion – particularly Australian news – is arguably the most important genre in terms of plurality of viewpoints and opinions in a given market. The provision of news and related content on these platforms is far from homogenous.
 - The bulk of commercial radio stations are music services and have a minimal focus on news and current affairs.⁴
 - On commercial television, the evening news bulletin has been a consistent feature of all services, although there have been changes in relation to current affairs programming.
 - While the print media necessarily retains a focus on news, many of the associated online portals have gravitated to providing light entertainment and celebrity news in addition to coverage of significant national events and politics.

⁴ A small number of talk back stations focus on news, current affairs and opinion and have the potential to influence opinion and debate on significant local and national issues.

3. Other relevant legislative frameworks

Competition and Consumer Act 2010 (CCA)

Mergers and acquisitions in the media sector are also subject to Australia's general competition regulation under the CCA. In particular, section 50 of the CCA prohibits any mergers that substantially lessen competition in any market. Subsection 50(3) of the CCA requires a range of factors be taken into account when assessing whether a merger would be likely to substantially lessen competition, including the level of concentration in the market, the height of barriers to entry in the market, the extent to which substitutes are available in the market (or are likely to be available), and the nature and extent of vertical integration in the market, among others.

The CCA is overseen by the ACCC, which assesses proposed mergers that are referred to it by merger parties, either informally or formally, or that are brought to its attention by other parties, such as complaints by third parties or press reports.⁵ Parties to a merger may also seek authorisation of a merger from the Australian Competition Tribunal. Parties may also proceed with a merger without prior regulatory consideration, although this will not prevent the ACCC from subsequently investigating the merger and, if necessary, taking legal action.

Key focal points in the process of assessing the competition impacts of a given merger are the extent and nature of rivalry between firms and market power in the pre-merger and post-merger environments. The greater the degree of competition in a market – where participants are constrained in terms of pricing, output and related decisions by the activity of other actual or potential market participants – the less market power each participant will possess.⁶ The level of market power will therefore be dependent on whether alternative supply options or substitutes (actual or potential) are available post-merger to effectively constrain the merged firm. If the merged firm can increase prices for a sustainable period, or otherwise reduce some other aspect of the service offering (lowering the product quality, range or levels of customer service, for example), the merger may decrease economic efficiency and reduce the gains from trade and total welfare.

In determining the relevant market, the ACCC focuses on two key dimensions of substitution, the product dimension and the geographic dimension.⁷ These two characteristics determine the possibilities for substitution: the range of products that consumers would be likely to switch to in order to avoid a price rise⁸ in a product produced by the merged entity (in terms of the actual product or the availability of

⁵ Australian Competition and Consumer Commission 2008, *Merger Guidelines – November 2008*, <http://www.accc.gov.au/publications/merger-guidelines>.

⁶ *Ibid*, p. 10.

⁷ *Ibid*, p. 15.

⁸ Also relevant are non-price factors such as lowering the quality of a given product, a reduction in the product range, a diminution in service quality, or any other change that results in a reduction in consumer benefit (perceived or actual) of a product (such as an increase in advertising levels).

products in an area), or the range of suppliers who could quickly enter a market or area to provide a competitive alternative in response to a price rise for a product produced by the merged entity.⁹ In some cases, market definition also requires consideration of the functional levels of the vertical production chain that are relevant to the merger, and the timeframe for the consideration of competitive effects, although these two considerations normally form part of the product and geographic dimension analysis.¹⁰

The ACCC's assessment of media mergers occurs separately from, and is not obliged to take account of, the media-specific control and ownership rules established in the BSA. This means that the ACCC may oppose proposed mergers that might otherwise be permitted under the media control rules, or vice versa. Unlike the BSA control rules, the ACCC's assessment of merger activity is not governed by predetermined and specific rules. Moreover, the competition test is 'forward-looking', examining the likely competition effects of a merger in the foreseeable future, rather than examining the situation as it stands. The competition assessment undertaken by the ACCC is a future 'with or without test', assessing the future state of competition with the merger, and without so as to isolate the merger's impact on competition from other changes.

In 2006, the ACCC published a discussion paper outlining a high-level flexible framework for the consideration of media merger activity under the CCA.¹¹ This paper acknowledged that the media sector has a number of unique characteristics and that rapid changes in media technology have altered and will continue to alter the nature of competition in media markets. In the media space, there are three main product categories the ACCC will consider when assessing media transactions:

- > the acquisition of content from content providers
- > the supply of content to consumers
- > the supply of advertising opportunities to advertisers.

When applied to transactions in the media, the ACCC's assessment of competition effects will focus on the extent to which competitors will 'compete' to supply, for example, news content. To the extent that competition law supports a plurality of suppliers of news, it is likely to support a media diversity outcome, although media diversity is not in itself an explicit objective of the competition framework.

Recent public assessments

The ACCC has assessed a number of proposed media transactions over recent years.

- > Foxtel / Austar – on 10 April 2012, the ACCC announced that it would not oppose Foxtel's proposed acquisition of the Austar subscription television service, on the basis that it had accepted a court-enforceable undertaking from Foxtel. The undertaking prevents Foxtel from purchasing exclusive distribution rights for services other than those on satellite and cable platforms (i.e. IPTV services) to linear and certain on-demand content offered by independent content suppliers. The

⁹ Australian Competition and Consumer Commission 2006, *Media Mergers – August 2006*, p. 18, <https://www.accc.gov.au/publications/media-mergers>.

¹⁰ ACCC 2008, p. 15.

¹¹ ACCC 2006.

undertaking was designed to ensure a range of content was made available to non-Foxtel IPTV and mobile video providers.

- > Seven Group Holdings / Consolidated Media Holdings – on 11 October 2012, the ACCC announced that it would oppose the proposed acquisition by Seven Group Holdings (Seven) of the balance of shares it did not hold in Consolidated Media Holdings (CMH). At the time, Seven owned 33 per cent of Seven West Media and 11 per cent of Prime Media Group, and had an existing 25.3 per cent stake in CMH, while CMH itself had a 50 per cent stake in Fox Sports and a 25 per cent interest in Foxtel. The proposed acquisition was rejected on the basis that it would have the capacity to substantially lessen competition in the market for the supply of free-to-air television services in Australia. The ACCC was concerned that Seven would have a position of advantage over other free-to-air networks in relation to joint bids and other commercial arrangements with Fox Sports for the acquisition of sports rights, which is vital to competition between the free-to-air networks.

Neither of these proposed acquisitions would have been regulated under the media control rules in the BSA, as subscription television broadcasting licences are not regulated under these rules.

Ongoing monitoring

In addition to public assessments of proposed transactions, the ACCC actively monitors the media sector for potential threats to competition in the marketplace. For example, on 11 October 2012, ACCC Chairman Mr Rod Sims told the *Australian Financial Review* that any future acquisition of a free-to-air network by News Limited (now News Corp Australia) would struggle to get approval from the ACCC.¹² More recently, on 25 January 2014 the *Australian Financial Review* reported that the ACCC had written to Foxtel and the three free-to-air commercial television networks to inquire into their discussions about collaborating on a Hulu-like joint catch-up television service.¹³

Foreign Acquisitions and Takeovers Act 1975 (FATA)

Foreign ownership of Australian media assets is regulated by the FATA, which gives the Australian Government authority to reject foreign investment proposals which are determined to be contrary to the national interest. The Government determines what is 'contrary to the national interest' by having regard to the widely-held community concerns of Australians.

Furthermore, the media industry is deemed a 'sensitive sector' under the Government's Foreign Investment Policy. As such, all foreign investment in local media over 5 per cent must be notified to and approved by the Treasurer, who may grant approvals subject to the parties meeting certain conditions.

Restrictions on foreign control of commercial broadcasting licences or foreign directorships in companies were removed from the BSA in 2007.

¹² Australian Financial Review 2012, *ACCC warns News: hand off free-to-air TV*, 12 October 2012, http://www.afr.com/p/national/accc_warns_news_hands_off_free_to_G2vnJy2ISLbtvcMP5PnRaJ.

¹³ Australian Financial Review 2014, *Video battle plans drawn*, 25 January 2014, http://www.afr.com/p/business/marketing_media/video_battle_plans_drawn_Qj6ZCxUQWrTXdwQAA6Pn8J.

4. Overseas approaches

Regulatory frameworks have been put in place around the world to measure and protect media diversity. These have predominantly taken the form of controls limiting concentration in ownership. The following analysis focuses on the jurisdictions of the United Kingdom (UK), the United States (US), Canada, Germany, New Zealand, and also the European Union. A more detailed case study analysis is provided at [Attachment A](#), with a summary and synthesis below.

General control rules

Common to all jurisdictions assessed (with the exception of New Zealand) is a set of rules aimed at limiting concentration in ownership with the focus – either explicitly stated or implied – on maintaining media plurality in each given market. The targets of regulation (which platforms) and the method of regulation (thresholds and limits) differ across jurisdictions, and there have been changes over recent years. However, there are some notable similarities.

- > The rules in the UK and Canada define ‘control’ both in the sense of economic interest (ownership) and the capacity to influence the directions of the media company in question. However, in all cases, the threshold for company interests (share capital or voting right) tends to be higher than Australia’s threshold of 15 per cent.
- > Control rules tend to focus on the diversity of ownership down to local market level, most commonly focusing on the minimum number of ‘voices’ (or equivalent) with respect to local commercial television and local commercial radio.
- > There are restrictions on cross-media ownership in the UK, US, Canada and Germany, with the Canadian regime similar to Australia’s 2 out of 3 rule. The UK also has a 2 out of 3 rule in local markets.
- > Some jurisdictions, including the US and Canada, maintain a cap on the audience reach for commercial television broadcasters, although their ‘caps’ tend to be at a lower threshold of the population than Australia’s 75 per cent audience reach rule.
- > Foreign ownership of the media is capped in the US to 25 per cent, while Canada’s approach is akin to the way in which foreign investment in the Australian media is dealt with under the Australia’s Foreign Investment Policy.
- > Of the jurisdictions examined, only the UK has chosen to implement a public interest test for media mergers, administered by the competition regulator with the Secretary of State for Business having the capacity to intervene where they consider that a media merger will be against the public interest, drawing on advice from the media regulator.

Liberalisation

In New Zealand, media ownership, foreign ownership, media mergers and takeovers are governed solely by the country’s general competition laws. This has been the situation

since 1991. At present, and under these rules, there are four dominant media conglomerates operating in New Zealand.

The UK has also pursued some degree of liberalisation of its media laws, although this has arguably been more moderate when compared with New Zealand.

- > In 1996, cross-media restrictions on the ownership of local broadcasters and newspapers were relaxed, with further liberalisation in 2011 (including with regard to local commercial radio service and multiplex ownership).
- > Changes implemented in 2003 removed restrictions on media ownership by non-European Union persons (essentially allowing US giants such as Disney, AOL Time Warner and Viacom to gain a foothold in British television).

Despite this tendency towards market liberalisation, the UK has retained measures to maintain plurality. For example, a newspaper group that has an aggregate national market share of 20 per cent or more may not hold a stake in a Channel 3 licence¹⁴ that is greater than 20 per cent, and vice-versa, known as the '20/20' rule. There is also a local cross-media ownership rule that prevents a company from owning more than two of a local newspaper (with a 50 per cent market share), a commercial radio station, and the regional Channel 3 commercial television licence (as noted above, this is broadly similar to Australia's 2 out of 3 rule).

In the US there have been attempts to relax and liberalise media ownership laws, initiated with changes to existing rules in 1996, although a range of other factors have been influential in the trend of industry consolidation. These are discussed in more detail in [Attachment A](#).

¹⁴ Channel 3 licences authorise the provision of commercial public service television broadcasting in the UK and are commercially owned. There are currently 15 regional Channel 3 licensees and one national Channel 3 licensee providing the breakfast-time service. The regional Channel 3 licensees are subject to a number of obligations relating to the provision of news services, original programming, independent UK productions, networking (with other Channel 3 licensees) and regional news and programming. ITV provides the Channel 3 service in England, Wales, the Border region, the Channel Islands and the national breakfast service; STV covers northern and central Scotland; and UTV serves viewers in Northern Ireland.

5. Snapshot of media diversity in Australia

Since the BSA was enacted in 1992, the media landscape in Australia has changed dramatically in terms of the media services available to and used by consumers, along with the business models of commercial media enterprises. The control of Australia's major media operations has also changed, particularly with the passage of amendments to the media control rules in 2006.

The 2006 media reforms

The *Broadcasting Services Amendment (Media Ownership) Act 2006* introduced a number of reforms to the BSA's media control and ownership rules and related measures. The main elements of these changes included:

- > Removing sector-specific foreign ownership restrictions in the BSA that had previously limited the control of commercial and subscription television licences by foreign persons.
- > Discontinuing the newspaper-specific foreign ownership limits under Australia's *Foreign Investment Policy (FIP)* that operates under the *Foreign Acquisitions and Takeovers Act 1975*.
- > Permitting cross-media mergers in a commercial radio licence area involving the three regulated media platforms (commercial television, commercial radio and associated newspapers) subject to the following conditions:
 - at least five independent media groups would remain in metropolitan commercial radio licence areas and four such groups in regional commercial radio licence areas (the newly-introduced '5/4 rule')
 - the transaction would not result in a person controlling more than two of the three regulated media platforms in any one commercial radio licence area (the newly-introduced '2 out of 3 rule')
 - the transaction would not breach the BSA's existing 'statutory control rules' including the '75 per cent reach rule' for commercial television, the 'one to a market' rule for commercial television and the 'two to a market rule' for commercial radio.
- > Requiring the ACMA to establish and maintain a Register of Controlled Media Groups identifying the control and ownership of media groups in each licence area.
- > Broadening the ACMA's enforcement powers to include criminal and civil penalties, divestment powers, injunctions powers and an ability to accept enforceable undertakings, as well as introducing offence provisions and disclosure requirements related to breaches of the new cross-media rules.

- > Requiring the ACMA to impose licence conditions on certain regional commercial television licensees and regional commercial radio licensees obliging them to broadcast a minimum level of material of local significance.¹⁵
- > Imposing additional requirements in relation to ‘local presence’, ‘local news and information’ and ‘local content plans’ where a regional commercial radio licence is subject to a change in control (known as a ‘trigger event’).

There has been considerable movement and consolidation in the media sector since the implementation of these 2006 reforms. This activity has affected most major Australian media companies.

Major control / ownership changes – 2006 to 2014

Network Ten – foreign and local investment

Removal of the BSA’s foreign ownership restrictions in 2006 allowed Canadian company Canwest to convert its large economic interest in Network Ten to a voting interest of 56.7 per cent, delivering control of the company. However, in September 2009, CanWest sold down all its interests in Network Ten due to financial difficulties. Since 2010, large shareholdings in Ten Network Holdings have been acquired by companies controlled by Mr James Packer and Mr Lachlan Murdoch (8.8 per cent each which was, until 27 March 2014, a joint holding) and Ms Gina Rinehart (an original 6.34 per cent stake that has increased to 9.91 per cent).

Southern Cross Media Group (formerly Macquarie Media Group) – acquisitions and mergers

In 2007, the then Macquarie Media Group purchased Southern Cross Media Group for \$1.3 billion in partnership with Fairfax Media. This deal required the divestiture of 15 commercial radio assets across nine licence areas that would otherwise breach the ‘5/4 rule’. In March 2008, Macquarie sold 19 regional commercial radio licences to various small regional commercial radio networks. In December 2009, Macquarie was renamed Southern Cross Media Group, and in May 2011, the company acquired the Austereo Group (including 10 metropolitan commercial radio licences and two jointly-owned regional commercial radio licences) for more than \$700 million.

Fairfax – acquisitions and divestitures

In May 2007, Fairfax Media completed a merger with Rural Press Limited that involved acquisition of a number of regional commercial radio licences and publications such as *The Canberra Times*. In November 2007, Fairfax Media acquired seven metropolitan commercial radio licences from Macquarie Media Group as part of the acquisition of Southern Cross Broadcasting (described above). This transaction also required the divestiture of a commercial radio licence in Ipswich, which was sold to

¹⁵ The relevant local content licence conditions were made by the ACMA under sections 43A, 43B and 43C of the BSA.

Grant Broadcasters. In October 2011 Fairfax sold its eight regional commercial radio licences to Grant Broadcasters for a reported \$15 million.

Consolidated Media Holdings and PMG / Fox Sports – investments and acquisition by News

Consolidated Media Holdings (CMH) was a subscription television investment company formed in late 2007 when Publishing and Broadcasting Limited (PBL) split into two separate businesses – Crown (a gaming company) and CMH (a media company). CMH held a 25 per cent interest in Foxtel and a 50 per cent stake in Premier Media Group (PMG). In 2012, PMG was renamed Fox Sports Pty Ltd. Also in 2012, News Corporation and Seven Group Holdings both submitted bids to acquire CMH. The ACCC opposed Seven's bid but approved News Corp's offer, which took effect from 2 November 2012. This transaction delivered News Corp full control of Fox Sports and 50 per cent of Foxtel.

Seven West Media (formerly Seven Media Group) – investments and sale to West Australian Newspapers (WAN)

Following the 2006 media ownership reforms, Seven Media Group was subject to a joint venture agreement resulting in foreign investment company Kohlberg, Kravis Roberts and Co (KKR) acquiring a 47.7 per cent stake and Mr Kerry Stokes acquiring a 47.7 per cent stake through Seven Network Limited, which was subsequently renamed Seven Group Holdings. In early 2011, Seven Media Group was sold to WAN to form a new entity Seven West Media. Seven Group Holdings remains the majority shareholder of Seven West Media, but KKR no longer has a significant stake.

Nine Entertainment Co. / Publishing and Broadcasting Limited – restructures, refinancing and float

Publishing and Broadcasting Limited (PBL) was formed in 1994 through the merger of the Nine Network Australia and Australian Consolidated Press. Following the 2006 media ownership reforms, PBL Media was formed as a 50/50 joint venture between PBL and private equity company CVC Asia Pacific Limited (CVC). In 2007, PBL spin-off company CMH sold down its shares in PBL until CVC owned over 99 per cent of the entity. PBL Media was renamed Nine Entertainment Co on 2 December 2010. In January 2013, the company's debts forced a restructuring of its financing arrangements resulting in private investment firms Apollo Global Management and Oaktree Capital Management taking control of the company. On 6 December 2013, Nine Entertainment Co was listed on the Australian Stock Exchange.

Foxtel – acquisition of Austar

On 26 May 2011, Foxtel announced its intention to acquire Austar, and on 11 July 2011 the two companies announced that they had entered into a definitive agreement regarding this transaction. The proposal received ACCC approval (subject to an undertaking) on 10 April 2012, and the take-over was finalised by 25 May 2012. This resulted in Austar being de-listed from the Australian Stock Exchange.

Prime Media Group – investment in radio

Following the 2006 media reforms, Prime Media, which had previously only owned and operated regional commercial television licences, began purchasing commercial radio assets. By 2009, Prime’s radio network included 10 regional commercial radio licences in Queensland. However, on 30 August 2013 Prime sold all of its commercial radio assets to Grant Broadcasters for \$24.5 million, representing a large loss on its radio investments.

Nova Entertainment (formerly DMG Radio Australia) – phased take-over by Illyria

In November 2009, Mr Lachlan Murdoch’s investment company Illyria Pty Ltd purchased 50 per cent of DMG Radio Australia from its owner, British media company Daily Mail and General Trust, for a reported \$110 million. Illyria acquired the remaining 50 per cent of DMG Radio in September 2012, and rebranded the company as Nova Entertainment on 26 February 2014.

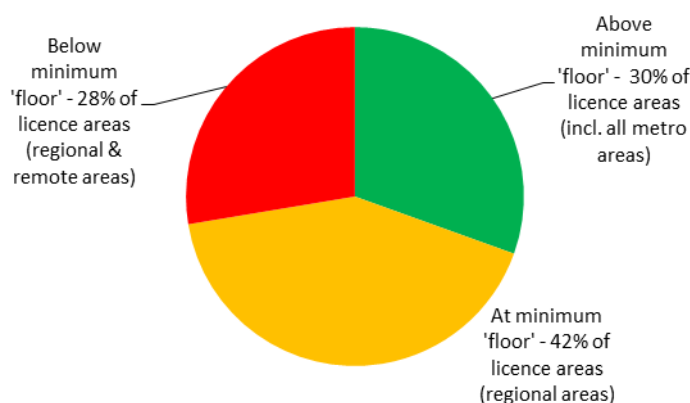
Australian Radio Network – acquisition by APN

The Australian Radio Network (ARN) was until recently jointly owned by APN News & Media (APN) and American radio company Clear Channel. On 19 February 2014, APN acquired Clear Channel’s 50 per cent of the company, as well as its 50 per cent stake in New Zealand’s The Radio Company, for \$246.5 million.

Diversity in 2014 – assessment against the current rules

The following subsections provide an overview of media control and market structures with respect to each of the control rules. It is important to note that it is unlikely that all of the control rules will be in play in every market at any given point in time. For example, in a particular market very few of the current operators may be at the limit of the 2 out of 3 rule, although further cross-platform consolidation may be prevented by the 5/4 rule.

Figure 4.1 - the 5/4 rule



As shown in Figure 4.1, in 32 of the 105 commercial radio licence areas in Australia (some 30 per cent), the number of ‘voices’ exceeds the minimum required number under the rule (4 in regional areas, 5 in the mainland state capitals). Particularly notable is that this includes the mainland state capitals, which themselves account for over two thirds of the Australian population. In these markets, the number of voices exceeds the minimum required of 5, including Sydney (10 voices), Melbourne (9 voices), Brisbane (8 voices). Although consolidation could occur between these regulated media outlets in these markets under the existing rule, it has not eventuated to date.

In regional and remote markets, the level of diversity at a market level falls away. In 73 of the 105 licence areas (some 70 per cent), the number of voices is either at the minimum level, or below it (existing arrangements in markets below the required number of 4 voices were ‘grandfathered’ with the passage of the ownership changes in 2006). A more detailed overview of the diversity situation in the mainland state capitals and, separately, the regional markets, is provided at [Attachment B](#).

The 2 out of 3 rule

Australia’s current media market includes a number of companies that control the maximum allowable two regulated media platforms in a commercial radio licence area, as outlined below. Under the existing control rules, these companies would not be permitted to acquire a third media platform in these markets. For example, Fairfax Media would not be permitted to acquire a commercial television licence in Sydney or Melbourne (unless it were to divest its commercial radio or associated newspaper holdings in the relevant licence area).

Company	Media platforms	Licence areas (RA1)
Fairfax Media	Radio & newspaper	Sydney & Melbourne
Seven West Media	Television & newspaper	Perth
DMG/News Corp	Radio & newspaper	Sydney, Melbourne, Brisbane & Adelaide
Southern Cross Austereo	Television & radio	26 regional licence areas including Canberra, Gold Coast, Hobart & Newcastle
WIN Corporation	Television & radio	Wollongong

References in this table to television and radio assets are to *commercial* television and radio licences.

Licence limits

There are 66 commercial television licences allocated in Australia, with ownership held across seven companies, including: Seven West Media (6 licences), Nine Entertainment Co (8 licences), Network Ten (5 licences), WIN Corporation (21 licences), Prime Media Group (13 licences) and Southern Cross Austereo (19 licences). Licence controllers are limited to one commercial television licence per licence area, except in areas where licences have been allocated under subsection 38A(5) and subsection 38B(14) of the BSA. These licence exceptions allow companies to control more than one licence in certain smaller markets to enable the provision of services to be commercially viable for the licensee.

There are 261 commercial radio licences allocated in Australia, with ownership held across 28 companies. The major radio licence controllers are Southern Cross Austereo (78 licences), Grant Broadcasters (47 licences), Fairfax Media (7 licences), DMG Radio (10 licences), Australian Radio Network (12 licences), Macquarie Radio Network (8 licences) and Super Radio Network (36), among others. Some of these companies are also at the allowable maximum limit of two commercial radio licences per radio licence area in many regional areas and metropolitan markets, including Southern Cross Austereo (Adelaide, Brisbane, Melbourne, Sydney and Perth), Fairfax Media (Brisbane, Melbourne and Perth), DMG Radio (Adelaide, Brisbane, Melbourne and Sydney), Australian Radio Network (Adelaide, Brisbane and Melbourne) and Macquarie Radio Network (Sydney).

The 75 per cent reach rule

The three major metropolitan commercial television networks in Australia (Seven, Nine and Ten) each have a combined audience reach of less than the permitted maximum of 75 per cent of the population. However, the Seven and Nine networks are close to the permitted maximum and would largely be prevented from making any further significant commercial television licence acquisitions under the existing rule. The networks' current combined audiences are as follows: Seven (73.81 per cent), Nine (73.55 per cent) and Ten (66.70 per cent).

The three major regional commercial television networks (Prime Media, WIN Corporation and Southern Cross Austereo), generally affiliated with one of their metropolitan counterparts, are considerably below the permitted maximum combined audience reach of 75 per cent. The regional networks' current combined audiences are as follows: Prime (24.33 per cent), WIN (25.15 per cent) and Southern Cross (34.11 per cent). As a result, no metropolitan network can take over a regional network (acquiring all licences) without divesting one or more commercial television licences.

The role of public broadcasting – the national and community broadcasting sectors

An examination of the media diversity landscape needs to consider the role of the national broadcasters, the ABC and SBS. These organisations make a significant contribution to media diversity through their provision of television, radio and online services. This is particularly so for the ABC, the reach and depth of whose media outlets compare favorably to its commercial counterparts in most areas of Australia.

- > In 2013 the ABC's primary digital television channel (ABC1) held an average nightly metropolitan prime-time audience of 477,000 per night, which was notably higher than Network Ten's average audience of 421,000 and placed it third on this measure behind the Seven Network (815,000) and Nine Network (738,000).¹⁶
- > The ABC has also increased its television news service through the introduction of ABC News 24 – a stand-alone, 24-hour news channel delivered on the broadcaster's digital platform.
- > The ABC Local Radio network is also widely consumed in metropolitan markets with 2013 surveys showing that its average daily audience consistently places it in the top three stations in the Sydney market and the top two stations in the Melbourne market.¹⁷
- > Most of the ABC's broadcast news services are available online, either as streamed content or as catch-up programming, while the ABC News websites held a top 10 position alongside other domestic and international news websites in 2012 and 2013.¹⁸

The television, radio and online services provided by the national broadcasters, particularly the ABC, are also prominent in regional and remote Australia, providing audiences with an additional source of news and information in areas where there are frequently few local commercial media outlets.

Community broadcasting services, predominantly radio, also add to the diversity of services available to Australians, although their contribution to diversity of opinion and analysis (i.e. a news focus) is more limited given they tend to be 'ultra-local' (produced by and relevant to particular local communities) or 'niche' (providing services of interest to local language or cultural groups within a particular local area).

¹⁶ Data © OzTAM Pty Limited 2013. The Data may not be reproduced, published or communicated (electronically or in hard copy) without the prior written consent of OzTAM. 5 City Metro, Audience, Total People, 01/07/08-30/09/13, Weeks 1-52 2013, Consolidated.

¹⁷ Commercial Radio Australia 2013, *Radio survey results (1-8) 2013*, http://www.commercialradio.com.au/index.cfm?page_id=1495

¹⁸ Nielsen MediaView: Average number of sessions per day (single continuous visits to a website by a user), June Qtr 2012 & 2013.

Summary

In general terms, a distinction can be drawn between metropolitan and regional markets in terms of the control and ownership of the major media outlets. As noted above, metropolitan markets tend to support a larger number of media outlets, and as a consequence there is a greater level of diversity of ownership and services in these areas. The inverse is true in most regional markets, which tend to exhibit higher levels of media concentration and more limited diversity. This is in part driven by the relatively dispersed nature of the Australian population across a large geographic landmass, which itself tends to result in few (or single) providers serving smaller communities.

Looking at the platforms themselves, the print sector has historically exhibited relatively high levels of concentration, dominated by News Corp Australia, Fairfax and APN. In this regard, it is notable that News Corp Australia and Fairfax titles are, on average, read each week by around 60 per cent and 36 per cent respectively of the newspaper reading public in Australia.¹⁹

Commercial television and commercial radio, in terms of ownership at least, are more moderately concentrated, with six dominant commercial television networks and 12 major commercial radio networks. However, affiliation agreements, programming syndication and joint venture operations tend to result in fairly homogenous content (i.e. channels and stations) being available to consumers in any given market. This in many respects distorts the picture of media influence across licence areas. For example, the leading opinion or 'talkback' radio programs emanate from Sydney with audience numbers being captured in Sydney licence area ratings data. However, a program may be syndicated and broadcast in other substantial markets, typically regional NSW and Queensland, which significantly increases the reach of the program and therefore its total audience numbers.

There is also a relatively high degree of concentration in the non-regulated media platforms. Subscription television is dominated by Foxtel,²⁰ with few alternatives beyond a handful of localised subscription television platforms and some IPTV offerings. While there are few regulatory barriers to entry in terms of online media, it is notable that the majority of the online news outlets and portals that are popular with Australians are either directly or jointly owned by traditional media platforms, a point noted in the following section.

Overlaying the commercial media are the ABC and SBS that, to differing degrees, make a significant contribution to the provision of news and information in both metropolitan and regional areas.

¹⁹ Roy Morgan Research Ltd.

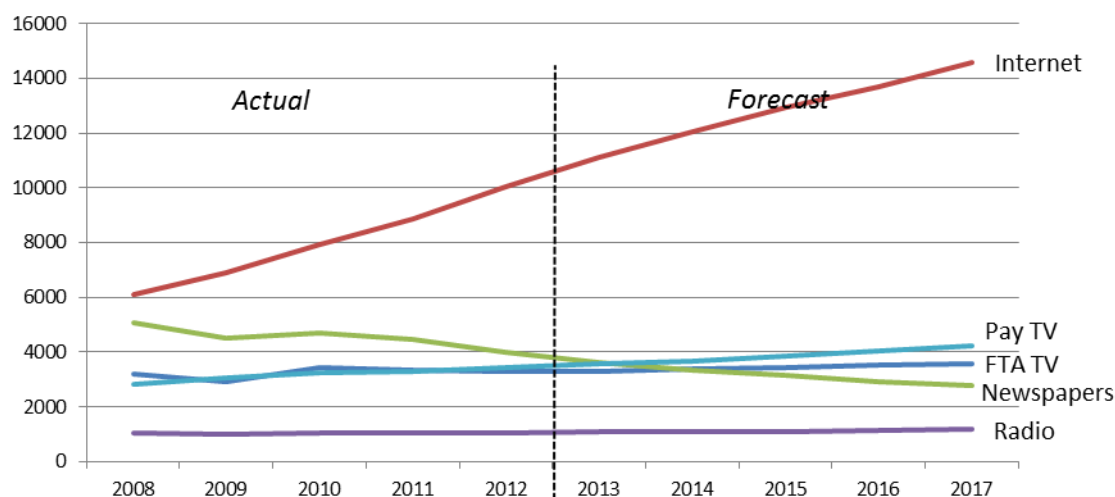
²⁰ On 11 July 2011, Foxtel announced that it had entered into a definitive agreement to acquire the Austar subscription television service. On 10 April 2012, the ACCC announced that it would not oppose the acquisition on the basis that it had accepted a court-enforceable undertaking from Foxtel preventing Foxtel from purchasing exclusive distribution rights for services other than those on satellite and cable platforms (i.e. IPTV services) to linear and certain on-demand content offered by independent content. The takeover was finalised by 25 May 2012.

6. Industry trends

Pressure on existing players

Traditional media business models, such as advertising-supported print newspapers, are under pressure from declining advertising revenues, as well as alternative distribution channels and changing audience behaviour. The trends in advertising revenue by platform, as outlined in Figure 6.1, are familiar: internet advertising revenue will continue to grow (although at a lower rate than in recent years), while advertising revenue for newspapers declines, commercial radio remains static and television (commercial free-to-air and subscription) experience very modest growth.

Figure 6.1 - Total revenue by market



Source: data contained in PwC Outlook 2013, p. 19.

These trends are also evident in the share of the advertising market held by major platforms. As shown in Figures 6.2 and 6.3, which are based on analysis by PricewaterhouseCoopers, the share of total advertising revenue for the 'traditional' media is expected to fall between 2013 and 2017: newspapers from 22 to 13 per cent and commercial television from 29 to 27 per cent. Commercial radio and subscription television are expected to hold a steady share over this period (9 per cent and 4 per cent respectively), while the internet share is forecast to rise from 27 to 37 per cent.

Figure 6.2 - Advertising spend by platform 2012
PricewaterhouseCoopers

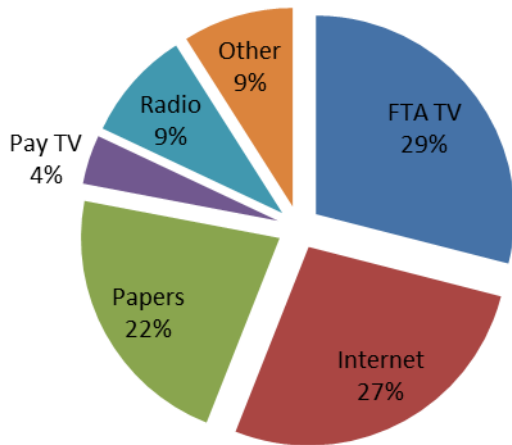
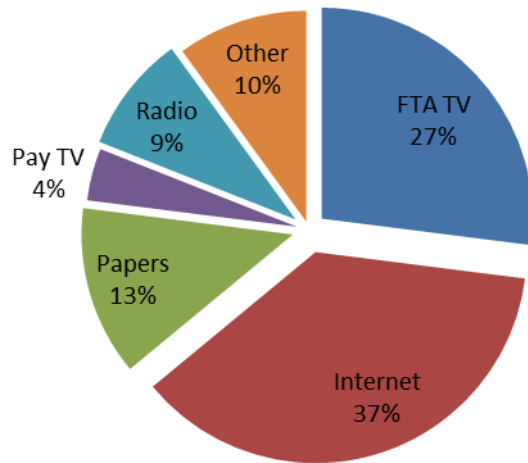


Figure 6.3 - Advertising spend by platform 2017
PricewaterhouseCoopers



However, the forecast decline in the expected fortunes of the traditional media is moderated by the use of online distribution platforms. As is shown in Figures 6.4 and 6.5, the forecast for declines in advertising revenue share for the traditional media are less severe when examined at the 'entity' rather than 'platform' level. Free-to-air commercial television is expected to hold a steady advertising revenue share of 30 per cent between 2013 and 2017, the decline in newspapers is less dramatic (25 to 17 per cent), while the growth in internet is more modest (21 to 29 per cent).

Figure 6.4 - Advertising spend by entity (multiplatform) 2012
PricewaterhouseCoopers

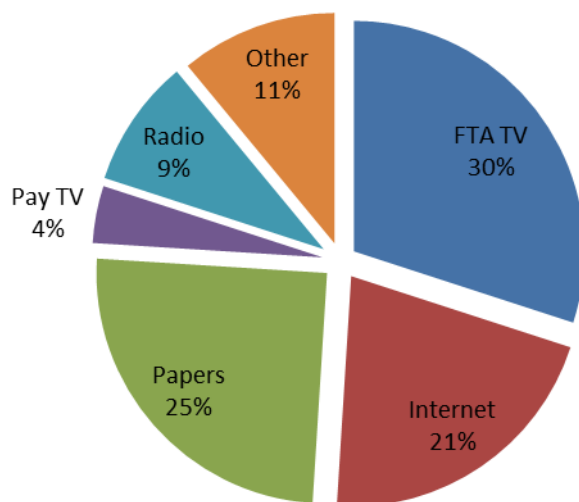
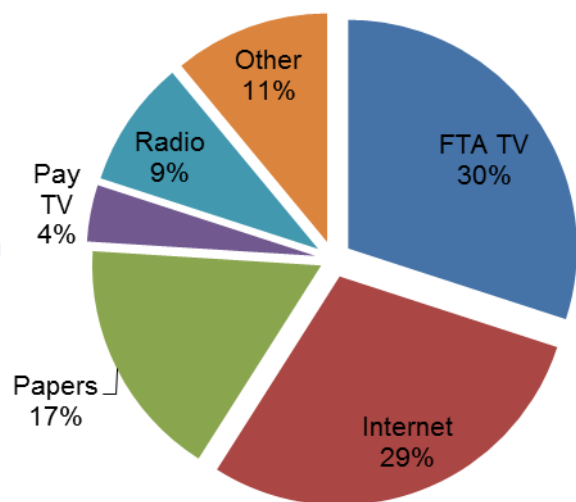


Figure 6.5 - Advertising spend by entity (multiplatform) 2017
PricewaterhouseCoopers



The rise of online news

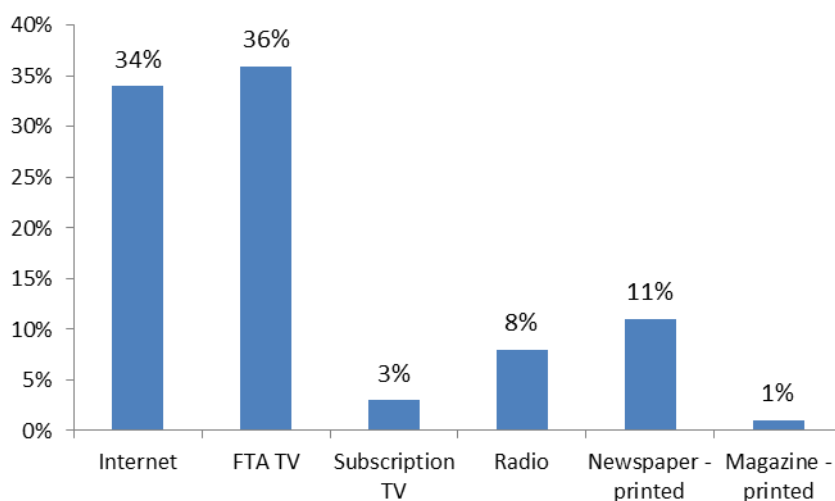
The growth of IP-based media platforms is well documented. Perhaps of more relevance to this paper is the fact that Australians have readily embraced online news, current affairs and opinion services. In fact, their popularity has grown markedly over the past few years.

- > In January 2006, the top 30 online news websites in Australia attracted a combined daily readership of just over 1 million unique visitors and this was dominated by the top five sites, which each attracted between 100,000 and 250,000 Australians per day.
- > By January 2014, the combined daily readership of the top 30 news websites in Australia had risen to more than 6 million unique visitors, with the top 5 sites each commanding between 350,000 and 900,000 visitors per day.²¹

The usage of news websites as a proportion of the Australian adult population is also significant. In 2013 (calendar year), an estimated 41 per cent of Australians over 14 years of age visited a news website each week, on average, during the year.²² In 2011, research from the ACMA found that 22 per cent of respondents had accessed news through a social media website, including Facebook (83 per cent) and Twitter (17 per cent).²³

Not only are news websites regularly accessed by Australians, they are also important in terms of the value ascribed to them by users. In 2012, 34 per cent of respondents identified the internet as their main source of news²⁴ (see Figure 6.6 below). Similar patterns were evident in 2013.²⁵

Figure 6.6 - Main source of news by media platform, 2012



²¹ Nielsen Market Intelligence.

²² Roy Morgan Research Ltd.

²³ ACMA 2011, *Digital Australians – expectations about media content in a converging media environment*, October 2011, p. 23, <http://www.acma.gov.au/theACMA/digital-australians>.

²⁴ Nielsen 2013, *Australian Connected Consumers 2013*, p. 194.

²⁵ Nielsen 2014, *Australian Connected Consumers 2014*, p. 208, <http://www.shopnielsen.com/reports/australian-connected-consumer-report-2014>.

Source: Nielsen, Australian Connected Consumers, 2013, p. 194

The relatively open access to audiences afforded by the online medium has enabled new market entrants to provide new services. Australians now have access to a range of independent news, current affairs and opinion pieces from online-only publications that increasingly compete with the online outputs of the traditional media players. International examples include *The Huffington Post*, *BuzzFeed*, *Business Insider* and *Quartz*, while domestic outlets include *The Conversation*, *The Punch*, *Eureka Street*, *Henry Thornton*, *Crikey* and *New Matilda*. Ease of online access has also given Australians the ability to read news as it breaks from international sources, with news services offered by the UK's *Daily Mail*, the Guardian, the BBC and by the USA's CBS attracting large Australian readerships.

The preferences and demographics of online news consumption are also noteworthy. In 2013, 68 per cent of Australians aged 16 and over accessed online news content weekly or more often, with the highest regular use (75 per cent) in the 35 to 44 age bracket.²⁶ This is notable as other forms of online information seeking (such as conducting a search or general web browsing, for example) tend to be more popular among younger age groups (16 to 34 years). There are also clear differences in terms of gender, with males more likely to be accessing news online on a weekly basis (74 per cent) than women (63 per cent).²⁷

In terms of the devices used to access online news, desktops and laptops continue to dominate, although there has been significant growth in mobile phone and tablet use.²⁸ Interestingly, news is prominent in dual screen behaviour (watching television and concurrently accessing the internet in relation to the same content on a separate screen). In 2013, 45 per cent of Australians over the age of 16 simultaneously watched a news, current affairs or panel discussion program and used the internet to participate in or interact with the content being watched, outstripping all other genres of programming, with little difference in the behaviour between men and women.²⁹

For illustrative purposes, Table 6.1 provides data on the average audiences and viewers for various news media outlets over the past two to five years (depending on the availability of data).

Table 6.1 – News Media Audiences

Free-to-air television evening news bulletins - average weeknight audience³⁰

Title	2009	2010	2011	2012	2013
ABC News	996,000	998,000	907,000	944,000	907,000*
Seven News	1,450,000	1,362,000	1,240,000	1,186,000	1,192,000*
Nine News	1,154,000	1,200,000	1,071,000	1,126,000	1,238,000*
Ten News	873,000	820,000	627,000	675,000	663,000*
World News Australia	177,000	177,000	178,000	164,000	171,000*

²⁶ Ibid, p. 246.

²⁷ Ibid, p. 261.

²⁸ Ibid, p. 265.

²⁹ Ibid, p. 235.

³⁰ Description of data: Average audience for main channel evening news bulletin, 5 City Metro (aggregated), Mon-Fri, Total People (all age groups), 01/07/08-30/09/13, Consolidated, 'Live only' until 27/12/09. These figures represent the average number of people that were viewing a particular news bulletin, on average for a weekday in a given year. The figure is reset each day. Average audience is distinct from and calculated differently to average daily reach used in relation to news channels.

Source: © OzTAM Pty Limited 2013.³¹

Television news channels - average weekday reach³²

Channel	2009	2010	2011	2012	2013
ABC News 24	n.a.	689,000 [^]	932,000	984,000	1,086,000*
CNBC	46,000	35,000	24,000	21,000	16,000*
Sky News	362,000	367,000	400,000	354,000	328,000*
Sky News Business	n.a.	73,000 [~]	67,000	73,000	68,000*

Source: © OzTAM Pty Limited 2013.

Commercial radio stations - average daily reach³³

Market and station	2009	2010	2011	2012	2013
<i>Sydney</i>					
2GB	655,000	650,000	685,000	637,000	581,000
2UE	365,000	344,000	328,000	302,000	290,000
702 ABC	704,000	708,000	699,000	680,000	661,000
<i>Melbourne</i>					
3AW	666,000	665,000	699,000	657,000	632,000
774 ABC	875,000	832,000	789,000	756,000	773,000
<i>Brisbane</i>					
4BC	156,000	151,000	150,000	129,000	122,000
612 ABC	290,000	292,000	291,000	310,000	308,000
<i>Adelaide</i>					
Fiveaa	193,000	192,000	191,000	189,000	174,000
891 ABC	207,000	203,000	203,000	192,000	195,000
<i>Perth</i>					
6PR	174,000	180,000	193,000	167,000	178,000
720 ABC	281,000	288,000	284,000	280,000	280,000

Source: Nielsen.

³¹ Notes on OzTAM television data:

* The figures for 2013 are calculated as an average based on the March, June and September quarters for that year;

[^] The collection of ratings data for ABC News 24 was initiated on 1 Aug 2010; [~] The collection of ratings data for Sky News Business was initiated on 28 Feb 2010. The OzTAM Data may not be reproduced, published or communicated (electronically or in hard copy) without the prior written consent of OzTAM.

³² Description of data: Average daily one minute reach, 5 City Metro (aggregated), Mon-Fri, 0200-2600, Total People (all age groups), 01/07/08-30/09/13, Consolidated, 'Live only' until 27/12/09. These figures represent the number of people that tuned into a news channel for at least one minute on a given day in a given year. Viewers are not counted more than once per day and the figure is reset each day. Average daily reach is distinct from and calculated differently to the average audience figures used for evening news bulletins.

³³ Description of data: Average daily cumulative audience (000s), listeners aged 10+, Mon-Sun 5.30am-12.00 midnight. The figures represent the average daily number of people that tuned into the station for at least one-quarter hour during the specified time period. This figure is averaged across the survey period, which is generally a period of 5-6 weeks, with 8 survey periods per calendar year. The annual figures represent the average of the 8 surveys for the relevant year.

Newspapers - average weekday readership³⁴

Title	2009	2010	2011	2012	2013
THE AUSTRALIAN	446,000	441,000	402,000	405,000	354,000
AFR	263,000	255,000	237,000	234,000	234,000
DAILY TELEGRAPH	1,016,000	949,000	902,000	781,000	752,000
SMH	797,000	738,000	717,000	612,000	539,000
HERALD SUN	1,325,000	1,333,000	1,256,000	1,116,000	1,040,000
THE AGE	699,000	659,000	648,000	566,000	524,000
COURIER-MAIL	595,000	592,000	563,000	503,000	486,000
ADELAIDE ADVERTISER	468,000	445,000	441,000	449,000	389,000
WEST AUSTRALIAN	536,000	558,000	529,000	493,000	508,000

Source: Roy Morgan Research Ltd.

Online news services – average daily users³⁵

Title	2012	2013
SMH.COM.AU	1,166,000	1,135,000
NEWS.COM.AU	851,000	996,000
THE AGE	788,000	750,000
ABC NEWS WEBSITES	455,000	559,000
HERALD SUN	571,000	456,000
THE TELEGRAPH	406,000	334,000
COURIERMAIL.COM.AU	338,000	267,000
BBC	284,000	274,000
THE AUSTRALIAN	288,000	237,000
ADELAIDENOW	187,000	170,000
BRISBANETIMES.COM.AU	184,000	170,000
PERTHNOW	195,000	153,000
FAIRFAX DIGITAL REGIONAL NETWORK	185,000	151,000
THE GUARDIAN	94,000	156,000
CNN DIGITAL NETWORK	137,000	146,000
APN AUSTRALIAN REGIONAL MEDIA	40,000	99,000

Source: Nielsen MediaView.

Care needs to be taken when comparing between the data sets used in Table 6.1 due to differences in methodology and approach. This is discussed in more detail in Section 8. Nonetheless, the table highlights a number of trends in news media consumption.

- > Average audiences for the weeknight news bulletins of the main free-to-air television channels, aggregated across the mainland state capital cities, have declined between

³⁴ Description of data: Average daily readership for the print publication, Mon-Fri, people aged 14+, 2009-2013. These figures represent the average number of people reading the Mon-Fri print version of the newspaper, on average per weekday, across the relevant year shown. Roy Morgan daily newspaper readership data is calculated using face-to-face interviews conducted on 48 weekends throughout the year. The annual sample size is more than 50,000 respondents 14 years or older. For each publication, respondents' reading claims for each of the five weekdays (Mon-Fri) are added then divided by five to produce the average issue readership. The figures above represent the annual average of this measure.

³⁵ Description of data: Average daily unique audience. These figures represent the average number of individual users that access a news service on any given day, including weekends, in a given year. The annual figures have been calculated using Nielsen MediaView data of monthly 'unique audiences' and monthly 'sessions per person' for the listed online news services. These Nielsen figures include visits made through internet browsers as well as mobile and tablet apps.

2009 and 2013, with the exception of Nine News. The heaviest falls have been seen with Ten News over this period. Notwithstanding these changes, both the Nine and Seven bulletins have averaged in excess of 1 million individual viewers across these markets over the five years, while the ABC bulletin has averaged in excess of 900,000 individuals.

- > The average weekday audience reach of the television news channels, aggregated across the mainland state capital cities, has generally declined between 2009 and 2013, although the falls have been modest for the Australian productions (Sky News and Sky News Business) and ABC News 24 has actually grown its audience since its commencement in 2010. In absolute terms, the audiences for the subscription television news channels remain modest compared with ABC News 24, which is free-to-air.
- > The average cumulative weekday audience for the talk-based radio stations in the mainland state capital cities has fallen between 0.5 and 22 per cent between 2009 and 2013, although 6PR in Perth and 612 ABC in Brisbane have bucked this trend and posted modest rises. Although there are sizable differences in audiences when comparing radio stations in different markets this is, in part, reflective of differences in the markets themselves and their respective populations.
- > The average weekday readerships for Australia's major newspapers have declined between 5 and 32 per cent over the five years to 2013. This trend has been well documented in Australia and is a pattern that has also been evident in newspaper readership in other countries. However, it is notable that eight of the top ten news websites in Australia in 2013, in terms of average unique daily users, are owned by these major mastheads or their publishers. The ABC's news websites also capture a significant number of daily users, as do other Australian and overseas publishers and broadcasters. There is also a notable clustering of users with the top 2 or 3 news websites. For example, smh.com.au was the most popular news website in 2013, with an average of 1.135 million unique daily users, while the tenth most popular news website for that year, adelaidenow.com.au, received an average of 170,000 unique daily users.

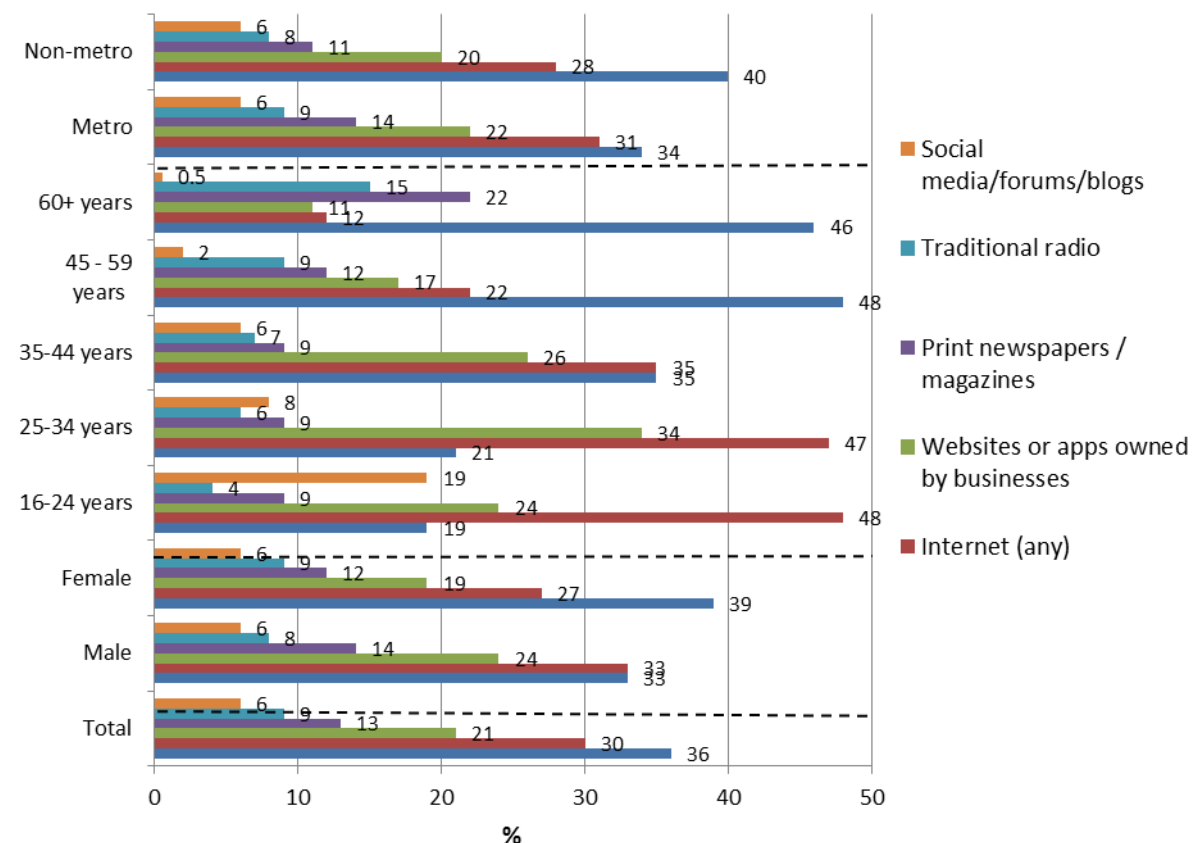
As noted in section 5, affiliation agreements and program syndication arrangements that are, respectively, common place in commercial television and radio services will tend to understate the audience for metropolitan programming when examined on a national basis. For example, the audience numbers for Sydney's commercial 'talkback' stations relate only the audience in the Sydney market, even though many of the programs emanating from these stations are syndicated and broadcast in other markets, typically regional NSW and Queensland. With respect to television, the audience figures in Table 6.1 relate to the mainland state capital cities, although in reality the evening news bulletins are available across the country through affiliation agreements with regional broadcasters, while the news channels are available nationally as a result of relevant broadcast arrangements.

News preferences and demographics

Age, gender and (to a lesser extent) location have been shown to have a bearing on preferences for news, as outlined in Figure 6.7, which draws on survey data contained in Nielsen's most recent *Australian Connected Consumers* report.³⁶

- > Older Australians tend to consider the more traditional platforms of television (free-to-air or subscription), print newspapers and traditional radio to be their main sources for news, while younger generations have a greater affinity with the internet (website or applications) and social media.
- > In terms of gender, a greater proportion of women tend to identify traditional television as their main source of news compared with men, and the opposite is true for internet sources and commercial websites and applications.
- > There are few significant disparities between metropolitan and non-metropolitan residents in terms of the main sources of news, although more regional viewers tend to identify television as their main source compared with city dwellers.³⁷

Figure 6.7 – Main sources of news, 2013



Source: Nielsen, *Australian Connected Consumers*, 2014, p. 210.
Base: Online Australians, 16+

³⁶ Nielsen 2014, *Australian Connected Consumers 2014*, Nielsen 2014, *Australian Connected Consumers 2014*, p. 208, <http://www.shopnielsen.com/reports/australian-connected-consumer-report-2014>.

³⁷ *Ibid*, p. 208.

The trust placed in media outlets based on platform tends to follow similar patterns in terms of age, gender and location as the main identified sources of news.

- > Older Australians consider traditional television (free-to-air and subscription) and traditional radio to be the more trusted sources of news and place less faith in internet sources, websites and social media, while the inverse is generally true for younger Australians.
- > A greater proportion of women than men consider traditional television to be their most trusted source of information, and the opposite is true for the internet and commercial websites and applications.
- > There is little difference in terms of the most trusted sources of information based on platform between metropolitan and non-metropolitan residents.³⁸

A number of recent international studies have also explored the demographic patterns and preferences for news in a contemporary digital environment.

In March 2014, the Media Insight Project published the findings of a national survey of US residents examining the factors influencing news consumption in the digital age.³⁹ One of the key findings of this study was that the nature of the news itself – the topic and the speed of the story – largely determines which media platforms people use to learn about events and the path they take to get there, rather than factors such as age or political leanings.

- > People rely on multiple sources (i.e. news organisations) each week to get their news, and multiple media platforms to discover and access news. However, certain platforms tend to be relied upon more heavily for certain news topics.

<i>Platform</i>	<i>News topic</i>
Local television news	Crime and public safety, traffic and weather, health and medicine
24-hour television news	Foreign or international issues, national government and politics, social issues and business and the economy
Newspapers	Local town or city news, arts and culture, schools and education
Speciality or online-only sources	Sports, entertainment and celebrities, science and technology, lifestyle

- > This pattern of use is moderated to an extent by the speed of the story. For fast moving or breaking news, there is a much greater reliance on television news organisations than other sources. For slower moving news, there is more diversity in the preferred source.

³⁸ Ibid, p. 210.

³⁹ The Media Insight Project 2014, *The Personal News Cycle*, 3 March 2014, <http://www.americanpressinstitute.org/publications/reports/survey-research/personal-news-cycle>. The Media Insight Project is an initiative of the American Press Institute and the Associated Press-NORC Centre for Public Affairs Research.

- > Age has some bearing on the news topics people follow (particularly for issues such as national government, natural disasters, traffic and weather, and foreign affairs). However, this pattern is not evident for the majority of news topics and the overall level of interest (as opposed to actual behaviour) is not significantly influenced by age, political persuasion or socioeconomic status.
- > Age also has a bearing on how people discover news: younger adults are three times more likely to discover news through social media (particularly Twitter and Facebook) than those aged 60 and over, and those under the age of 40 are more likely than those over the age of 40 to discover news through internet searches and online news aggregators. However, these older adults do utilise web-based media to some extent, indicating that it is relevant for all generations.
- > Gender is also a significant determinant of news habits. For example, women are more likely than men to share news and get it through social media, and to follow news about education and schools. In contrast, men are more likely to watch cable news and follow different subjects, including sports and foreign affairs.
- > Even tech-savvy consumers, who heavily utilise their mobile phones and tablets to access news, also use the traditional platforms of television, radio and print to a similar extent as other consumers that are less comfortable with new technology. This suggests that social media is largely adding to, rather than replacing, other more traditional sources of news. While 4 in 10 Americans now use social media, 80 per cent get their news by going directly to a news organisation.
- > This predisposition towards news organisations is also evident in the levels of trust in media sources. Americans of all generations were found to be three times as likely to express high levels of trust in information garnered from news organisations compared with information discovered through social media.

In 2012, Ofcom considered the patterns of news consumption in the UK as part of a report on media plurality prepared for the then Secretary of State for Culture, Olympics, Media and Sport.⁴⁰ This analysis highlighted a number of trends in news media consumption, drawing on consumer research and various industry metrics.

- > Similar to the findings of the Media Insight Project in the US, Ofcom found that the majority of the UK population use multiple media platforms to access news, with growth in the stated use of the internet (personal computers and mobile devices) and a decline in the stated use of newspapers between 2007 and 2012.
- > Age also had a bearing on preferred media sources, with the use of the internet for news having risen from 35 per cent to 56 per cent between 2007 and 2012 for those aged 16 to 24.
- > Television tended to be preferred medium for most types of news, particularly breaking news, serious news and headlines. The internet was also heavily relied on for these news genres, although to a lesser extent than television, while the use of newspapers and radio was generally more modest although consistent across all news types.

⁴⁰ Ofcom 2012, *Annex 4: News consumption in the UK – Annex to Ofcom’s advice to the Secretary of State for Culture, Olympics, Media and Sport*, 19 June 2014, <http://stakeholders.ofcom.org.uk/consultations/measuring-plurality/>.

Broad trends in news media

Drawing on the previous analysis, it is possible to distil a number of trends in the online news space.

- > New entrants in the supply of news, current affairs and opinion
- > New business models for the supply of news content
- > New spaces for individual content dissemination
- > The advent of personalisation.

New entrants in the supply chain

New entrants have appeared in the news content supply chain, including online-only news producers and online aggregators. There are relatively low barriers to entry (regulatory and economic) for some online services models compared to traditional media, but challenges in terms of building brand and successful revenue models.

- > Online-only news producers and political bloggers can command reasonable audiences.⁴¹ In Australia, there are several online-only news producers, including *Crikey*, *New Matilda*, *Mumbrella* and *The Conversation*.
- > Online aggregators, such as Google News, act as an intermediary between the content producer and the consumer. Google News does not explicitly editorialise, rather it provides links to all relevant stories from its base of 4,500 English language news sources, which are found and ranked using a complex algorithm. Of note, factors used in this algorithm (including a reputational element and consumer usage) arguably will tend to favour online versions of traditional media outlets over online-only news producers.

New business models for the supply of news content

A notable development in the provision of commercial news has been the growth of subscription or paywall-based revenue models, particularly for traditional print publications. This is in large part a response to the structural changes underway in media markets and the need for news companies to develop new sources of revenue for their content in the online space.

- > In October 2011, *The Australian* became the first of the country's large general-interest mastheads to require a paid subscription to access stories online. News Corp Australia subsequently introduced 'paywalls' to its other major online publications in 2013.⁴²

⁴¹ Meraz, S 2009, *Is there an elite hold? Traditional media to social media agenda setting influence in blog networks*, Journal of Computer Mediated Communication, vol. 14, 2009, p. 682, <http://onlinelibrary.wiley.com/doi/10.1111/j.1083-6101.2009.01458.x/abstract>.

⁴² Knott, M 2012, *The great News Ltd paywall experiment: are readers logging off?*, <http://www.crikey.com.au/2012/07/17/the-great-news-ltd-paywall-experiment-are-readers-logging-off/>; Rolfe, J 2013, *News Limited to introduce new metered digital subscriptions*, *The Australian*, 8 May 2013, <http://www.news.com.au/finance/business/news-limited-to-introduce-new-metered-digital-subscriptions/story-fnda1bsz-1226637491576>.

- > Fairfax, which had previously only charged for premium content in the *Australian Financial Review*, has also followed suit, introducing paywalls to *The Age* and the *Sydney Morning Herald* in July 2013.⁴³

This follows a general trend toward charging for quality online news, evident in overseas markets.

- > By 2013, around 400 of the 1,350 papers in the US and 80 per cent of daily papers in Canada, either had paywalls or were planning to introduce them.⁴⁴
- > Similarly, many of the major papers in the UK have started charging for content, including *The Sun*, the *Daily Telegraph* and *The Times*.⁴⁵

There is no 'one size fits all' approach and Australian publications have adopted a number of different models. News Corp Australia offers selected articles in *The Australian* for free, while keeping the majority of its content behind a 'hard' paywall accessible only to subscribers. Other Australian publications from both News Corp Australia and Fairfax have introduced 'metered' paywalls, allowing users to read a limited number of free articles per month before displaying a prompt to subscribe for further access.

Space for individual content dissemination

Consumer behaviour has changed markedly with the growth in online social media, allowing citizens to create separate communication spaces where information can be generated and widely distributed, and to evaluate and critique mainstream media.⁴⁶

In this context, social media networks, particularly Facebook and Twitter, can be viewed as *pathways* to news.⁴⁷ The first impressions of breaking news events are increasingly informed by tweets and accompanying visuals before the news has made its way onto traditional news platforms. In 2012, some 38 per cent of online Australians over the age of 16 consumed 'breaking news' on social networks.⁴⁸ Moreover, journalists themselves increasingly rely on social media for information.

Consumers are also utilising these social media networks and online tools to curate and share content with others. Indeed, some analysts have argued that while searching for news was the most important development in the news space over past decade, sharing news may be among the most import for the next decade.⁴⁹ To take an Australian example, more than 400,000 weekly visits to ABC Online in 2012 stemmed from referrals

⁴³ Mumbrella 2013, *Fairfax posts \$16.4m loss and gives first look at paywall takeup*, 22 August 2013,

<http://mumbrella.com.au/fairfax-posts-16-4m-loss-and-reveals-digital-subscriber-take-up-173949>

⁴⁴ Sasseen, J, Olmstead, K & Mitchell, A 2013, *Digital: as mobile grows rapidly, the pressures on news intensify*, Pew Research Centre, <http://stateofthedia.org/2013/digital-as-mobile-grows-rapidly-the-p pressures-on-news-intensify/>.

⁴⁵ Metro 2013, *Sun paywall begins: newspaper joins Times in charging readers for content online*, 1 August 2013,

<http://metro.co.uk/2013/08/01/sun-paywall-begins-newspaper-joins-times-in-charging-readers-for-content-online-3907561/>

⁴⁶ Bekkers, V, Beunders, H, Edwards, A and Moody, R 2011, *New media, micromobilization, and political agenda setting: crossover effects in political mobilisation and media usage*, The Information Society, vol. 27, 2011, p. 209.

⁴⁷ Mitchell, A, Rosenstiel, T & Christian, L 2012, *What Facebook and Twitter mean for news*, Pew Research Centre, <http://stateofthedia.org/2012/mobile-devices-and-news-consumption-some-good-signs-for-journalism/what-facebook-and-twitter-mean-for-news>.

⁴⁸ Nielsen, *Australian Connected Consumers*, February 2013, p. 375.

⁴⁹ Mitchell, A, Olmstead, K & Rosenstiel, T 2011, *Facebook is becoming increasingly important*, Pew Research Centre, <http://www.journalism.org/2011/05/09/facebook-becoming-increasingly-important>.

from *Facebook, Twitter, Reddit and Stumbleupon*.⁵⁰ Other popular content curation and sharing tools include *Paper.li, Curata, Triberr, Scoop.it* and *Storify*.

Personalisation

With the advent of the internet as a distribution channel, consumers are increasingly self-selecting areas of online content which is brought to their attention.⁵¹ For example, both Fairfax and News Corp publications allow some form of webpage customisation for their digital subscribers. More broadly, news websites, news aggregators and social networking services are increasingly offering tools to enable and reinforce personalisation, through techniques such as individual or collaborative filtering and contextual recommendations.⁵² Examples include *The Washington Post's Trove* (which aggregates news and enables users to personalise their news based on interests) and *The New York Times-backed News.me* (which uses computer programs to learn user preferences and provide articles and links of interest).

These trends in the news media space are not occurring in isolation and are in fact part of a broader trend to personalisation of media and on-demand consumption. This has been propelled by the rise of the internet and the growing take-up of connected and increasingly mobile consumer devices which afford consumers anytime, anywhere access to content, and far greater control and choice in terms of the information, experiences and products they consume.⁵³

Online video content is one area where the gravitation to 'content convenience' is evident. Half of Australians over the age of 16 watched some form of internet television in 2013, up from 43 per cent in 2012, as outlined in Figure 6.7. This rises to 67 per cent of 16 to 24 year olds and 63 per cent for 25 to 34 year olds.⁵⁴

⁵⁰ Australian Broadcasting Corporation 2013, *Social Media Highlights: 23-29 September 2013*.

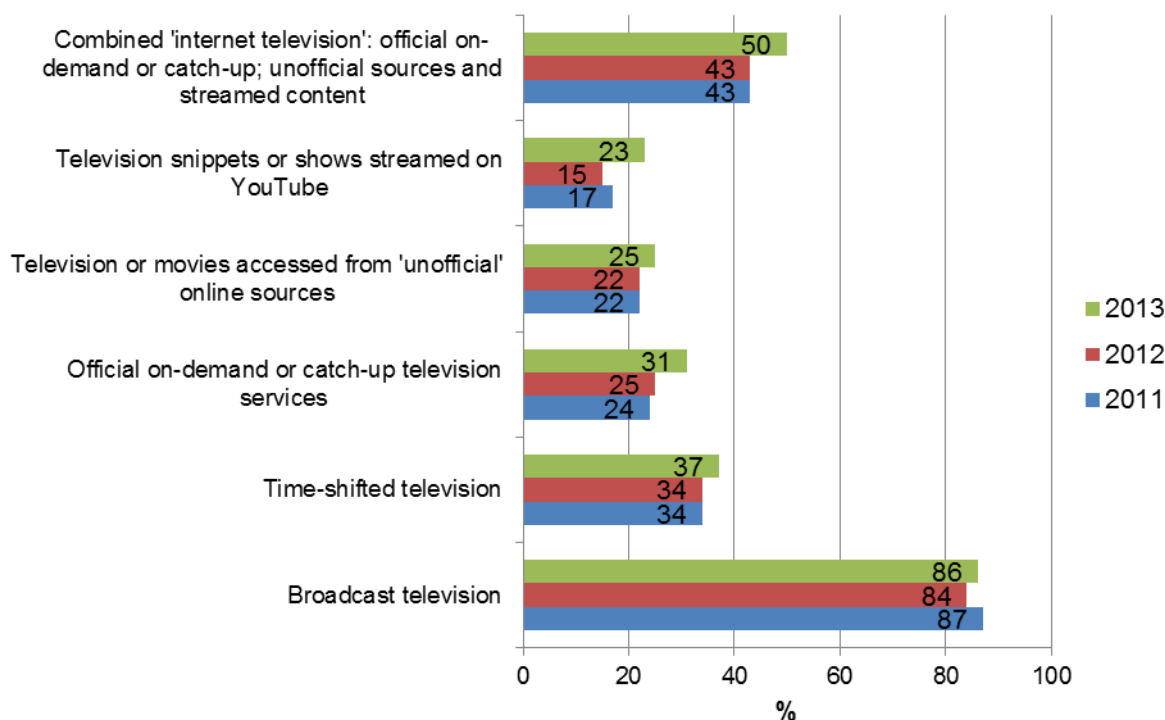
⁵¹ Havalais cited in Dwyer, T and Martin, F, [Updating Diversity of Voice Arguments for Online News Media](#), *Global Media Journal – Australian Edition*, Volume 4:1, 2010, p. 10.

⁵² Thurman, N & Schifferes, S 2012, *The future of personalization at news websites*, *Journalism Studies*, Vol. 13, Issue, 5-6, 27 March 2012, <http://www.tandfonline.com/doi/abs/10.1080/1461670X.2012.66434>.

⁵³ PricewaterhouseCoopers 2013, *Outlook: Australian Entertainment and Media 2013-2017*, p. 24, www.pwcoutlook.com.au.

⁵⁴ Nielsen 2014, *Australian Connected Consumers*, February 2014, p. 141, <http://www.shopnielsen.com/reports/australian-connected-consumer-report-2014>.

Figure 6.7 – How television is watched, 2013



Source: Nielsen, *Australian Connected Consumers*, 2014, p. 139.
 Base: Online Australians, 16+

Catch-up services provided by the established free-to-air broadcasters, most notably the ABC with iView, dominate this online television viewing, although Foxtel, YouTube, AppleTV, BigPond, Google TV, Quickflix and Fetch TV are also prominent to varying degrees.⁵⁵ Viewing flexibility and financial factors (namely free content) are two of the key factors motivating Australians to access this type of television and video content online.⁵⁶

Does online news enhance media diversity?

The analysis above highlights a significant increase in the availability of news, current affairs and opinion online and an expansion in the number of new news media outlets. In contrast to the pre-digital environment, consumers are increasingly able to tailor the news content they consume to their tastes and interests and indeed become the 'generators' of news reporting and coverage. In this regard, the online platform has arguably enhanced the access to, and dissemination of, news content in Australia and overseas. As digital technologies further erode the historic delineations between traditional and new media, it is reasonable to expect that online-only news media outlets will play an increasingly prominent role in framing and informing public debate on significant social, cultural, political and economic issues.

⁵⁵ Ibid, p. 146.

⁵⁶ Australian Communications and Media Authority 2012, Report 1 – online video content services in Australia: latest developments in the supply and use of professionally produced online video services, p. 33, <http://www.acma.gov.au/theACMA/Library/researchacma/Research-reports/communications-report-2011-12-series>.

However, as noted in section 2, online news media outlets are not counted within the existing legislative framework that seeks to establish a floor in number of influential media ‘voices’ available to Australian citizens. More broadly, the proliferation of online sources of news content does not necessarily equate to a proliferation of independent sources of news, current affairs and analysis. Indeed, the internet has, to date at least, tended to give existing players a vehicle to maintain or actually increase their influence. This pattern can be seen in Australia where to date, the established media outlets have tended to dominate the online news space.

- > Over the 8 years to 2013, either News Corp or Fairfax owned the majority of the top ten most popular news websites, and this dominance has been remarkably stable over the period.⁵⁷
- > Australian broadcasters also have a strong presence in the top twenty online news sites, as do international news outlets such as the broadcasters BBC and CNN.
- > Of the news sites, those in the top ten most popular sites tend to be part or fully owned by traditional media, including the online aggregators ninemsn News and Yahoo!7 News.

The dominance of established media in the online space is not a pattern unique to Australia.

- > In the UK, traditional media providers account for 10 of the top 15 online providers of news (eight newspaper groups plus the BBC and Sky), with the remainder predominantly being news aggregators rather than alternative sources of news.⁵⁸ A paper prepared by the UK Department of Culture, Media and Sport in 2013 offered some related examples.

“... [T]here may be a diverse range of content being produced, but people may choose to access it from a particular source – for example the BBC accounts for 25 per cent of TV news minutes broadcast, but 73 per cent of TV news viewing. This will be exacerbated if the algorithms of search engines like Google mean that only some content is easily discoverable, limiting the opportunity for a wide-range of voices to be heard.”⁵⁹

- > A similar pattern is evident in the US, where the bulk of the top 25 most used news websites are either established news bands or aggregator sites that take most of their content from existing news providers.⁶⁰ While the popularity of news websites unaffiliated with traditional media is increasing, the majority of local news content available online originates from newspapers and local television stations.⁶¹ In other

⁵⁷ Nielsen Market Intelligence.

⁵⁸ Ofcom 2010, Report on public interest test on the proposed acquisition of British Sky Broadcasting Group plc by News Corporation, p. 13, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/78516/OfcomPITReport_NewsCorp-BSkyB_31DEC2010.pdf.

⁵⁹ Department for Culture Media & Sport 2013, *Media Ownership and Plurality: Consultation July 2013*, p. 2, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/225790/Media_Plurality_Consultation_2013.pdf.

⁶⁰ Olmstead, K & Mitchell, A & Rosenstiel, T 2011, *The state of the news media 2011: an annual report on American journalism: online: key questions facing digital news*, Pew Research Centre, <http://stateofthemediamedia.org/2011/online-essay/>; Pew Research Centre, *How news happens: a study of the news ecosystem of one American city*, Project for Excellence in Journalism, 11 January 2010, <http://www.journalism.org/2010/01/11/how-news-happens>.

⁶¹ Federal Communications Commission 2014, *Further notice of proposed rulemaking and report and order*, 15 April 2014, paragraph 2, http://transition.fcc.gov/Daily_Releases/Daily_Business/2014/db0417/FCC-14-28A1.pdf.

words, the growing number of online news outlets actually rely on a relatively fixed, or declining, pool of original reporting provided by traditional media.⁶²

These trends suggest that a major impact of the online platform, at least in terms of the more popular news outlets, has been to extend the reach of established news providers. This is perhaps not surprising given that consumers tend to gravitate towards the brands, mastheads and commentators they are familiar with and that can provide them with the particular Australian news they are seeking. In this regard, research conducted by the ACMA in 2011 found that 'habit' (i.e. past use of and familiarity with the media outlet), 'convenience' (i.e. quick access to stories regardless of location) and 'trust' were important in determining why consumers prefer a particular media as a preferred source of news.⁶³ The growth in the variety of online news services may only serve to reinforce the brands of traditional sources, as they become the easy choice amongst a cloud of alternatives.

None of the above erodes the general conclusion that the online medium has radically transformed the environment in which news content is produced and consumed, nor the expectation that the online medium will, over time, become an increasingly important driver of news media diversity. What it does highlight, however, is that the news genre is in a state of dynamic change and that the diversity-enhancing potential of the online space is yet to be fully realised.

⁶² Waldman, S 2011, *The information needs of communities: the changing media landscape in a broadband age*, Federal Communications Commission, July 2011, p. 123, <http://www.fcc.gov/info-needs-communities>.

⁶³ Australian Communications and Media Authority 2011, *Digital Australians – expectations about media content in a converging media environment*, October 2011, p. 40, <http://www.acma.gov.au/theACMA/Library/researchacma/Research-reports/digital-australianexpectations-about-media-content-in-a-converging-media-environment>.

7. What happens if you repeal the control rules?

The simplest option for regulatory reform would be to remove one or more of the existing control rules. The analysis below examines the possible implications of removing each of the control rules in isolation, although consideration is given to the impact of the remaining rules where relevant. It should be stressed that the ACCC's ongoing role in assessing mergers may result in some transactions permitted by the repeal of sector-specific control rules being prevented on competition grounds. As noted previously, the ACCC has demonstrated that it will act to prevent particular transactions in the media where they would substantially lessen competition in any relevant media market.

Although the following sections speculate about possible media transactions, they should not be seen as reflecting any specific knowledge of proposed transactions, or whether any transactions would in fact be allowed by the regulator. As a broader point, it is important to note that media ownership arrangements have become increasingly complex over recent decades. In particular, there has been a general decline in the prominence of single owners and a growth in institutional investment and the utilisation of intricate corporate structures that often span multiple jurisdictions and markets.

Repealing just the 75 per cent audience reach rule

The repeal of the audience reach rule could lead to some level of consolidation in the free-to-air television sector. A likely form of transaction would involve the acquisition of, or merger with one of the predominantly metropolitan networks (Seven, Nine and Ten) and one of the affiliated regional networks (respectively, Prime, WIN and Southern Cross Austereo). Transactions between a metropolitan and regional network are currently prevented by the fact that the combined entity would have an audience reach that exceeded 75 per cent of the Australian population.

Such a coupling is unlikely to result in a substantial reduction in the number of commercial television broadcasters operating in the affected geographical markets. This is because the metropolitan and regional networks generally operate in separate licence areas, and a change of ownership in one market would entail the replacement of one voice with another, rather than a reduction. Also relevant is the fact that the regional networks essentially take the program feed from their relevant affiliate parent – including the metropolitan news. As such, the news 'voice' in regional and metropolitan areas is unlikely to substantially change.

However, there is a question as to whether metropolitan-regional mergers would result in a reduction in the provision of local content in regional areas. Concerns in this regard were expressed in the report of the inquiry of the 2013 Joint Select Committee on Broadcasting Legislation which examined, among other things, a proposal to remove the audience reach rule. The Committee recommended the rule be abolished provided there are legislative and other measures in place to protect local content.

Regardless of ownership, all regional commercial television licences in the aggregated markets (Regional Queensland, Northern New South Wales, Southern New South Wales and Regional Victoria) and Tasmania are already required to adhere to an existing licence condition that obliges them to provide minimum levels of local content. A recently completed investigation of this licence condition by the ACMA found the condition to be working effectively and concluded that there is no justification to extend the condition to other regional and remote licence areas (notably those in regional South Australia and regional and remote Western Australia).⁶⁴

The investigation also found that many of these television broadcasters are marginally profitable or operating at a loss, and that any extension of the condition would have an impact on broadcasters due to the relatively high costs of local programming. The potential loss of existing voices through them failing or exiting the market would inevitably impact media diversity in these markets.

Repealing just the 5/4 rule

In metropolitan and larger regional markets, removal of the 5/4 rule may not in itself lead to significant consolidation in terms of ownership, assuming no change to the other control rules. In these markets – 32 in total, including all the major metropolitan licence areas – the number of registrable media operations / groups exceeds this minimum threshold and consolidation could have occurred under the current 5/4 rule, but has not to date. More relevant in these markets is the operation of the licence limits (1 commercial television licence, 2 commercial radio licences, per licence area) and to a lesser extent, the 2 out of 3 rule.

There is greater potential for consolidation and hence a reduction in diversity in markets that are at or below the minimum floor in terms of voices – 72 licence areas in total, all located in regional and remote areas. Indeed, there may be some commercial incentive for mergers and acquisition in these smaller markets given the potential for synergies and economies of scale / scope in combining facilities (i.e. from combining news gathering and studio facilities for commercial radio and commercial television, for example). In most cases the 2 out of 3 rule – if it were to be retained – would have no bearing on any such acquisitions, as there is generally either no third platform (i.e. no associated newspaper) in the given licence area, or the existing media groups do not hold assets in more than one platform.

The commercial radio licence limit (2 licences per licence area) will not have much bearing on such potential acquisitions, as in the majority of regional licence areas there are only 2 commercial radio licences issued and operating. The commercial television licence limit (one licence per licence area) will prevent intra-platform consolidation in commercial television in ‘2 station markets’ of Darwin, Mildura and Tasmania. These licence limits would have no effect on potential cross platform combinations (commercial television and commercial radio, or commercial radio and newspapers, for example).

⁶⁴ Australian Communications and Media Authority 2013, *Review of local content requirements for regional commercial television*, December 2013, http://www.communications.gov.au/television/commercial_tv/review_of_local_content_requirements_for_regional_commercial_television.

Repealing just the 2 out of 3 rule

In the majority of licence areas, and for the majority of media assets, the 2 out of 3 rule is not in play (i.e. where an entity controls media assets from 2 of the three regulated platforms). Despite a flurry of acquisitions post the 2006 media reforms, a number of the larger media companies have divested their less profitable or unwanted assets and retreated to single platform operations (for example, Prime selling its commercial radio stations), or do not otherwise hold assets from two of the three regulated platforms in the one market (as is the case with APN). As noted in section 4, only a limited number of media operators are at the limit of holding 2 of the 3 regulated platforms in a given market. For example, Fairfax in Sydney and Melbourne, Seven West Media in Perth, WIN in Wollongong and Southern Cross Austereo in some 26 licence areas.

What is notable in relation to the 2 out of 3 rule is the fact that some of the more significant hypothetical media transactions could take place under the existing rule, or could take place provided that the consolidated entity formed as a result of the merger or takeover did not contain certain regulated media assets. It is also relevant to note that while the removal of the 2 out of 3 rule would allow for consolidation within the established media platforms, the extent of any actual merger or acquisition activity may be moderated by the broader financial headwinds facing the established media (noted previously).

Repealing only the licence limits

The potential repeal of the existing licence limits (1 commercial television licence per licence area and 2 commercial radio licences per licence area) would probably have the most impact for media proprietors seeking to consolidate their ownership holdings.

Repeal of the commercial television licence limit would enable one of the existing licensees to acquire another, in each market. Possible scenarios could involve either Seven or Nine acquiring one or more of the Ten licences in the mainland capital city markets, or seeking to acquire Ten in concert. There is precedent for this type of joint ownership, with Seven, Nine and BSkyB holding equal shares in Australian News Channel Pty Ltd, the parent company for Sky News Australia, Sky News Business and the Australian Public Affairs Channel (A-PAC). It is also possible that the existing regional broadcasters – Prime, WIN and Southern Cross Austereo – could seek to acquire other licences in markets where they operate with other commercial broadcasters (the larger aggregated regional markets in Queensland, New South Wales and Victoria, where there are effectively three main licensees, and Darwin, Tasmania, Mildura and the remote areas, where there are effectively two main licensees).

The effect of the repeal of the radio licence limit would only be felt in the metropolitan and larger regional markets. This is because in the majority of regional licence areas, there are only two commercial radio licences issued, and they are almost exclusively held by the same controller. In the past, at least one major commercial radio network has called on the Government to repeal licence limit to enable them to acquire a third commercial radio licence in various markets.

The capacity for commercial television or radio networks to acquire other licences in particular markets would be tempered if the other control rules, notably the 5/4 rule, were to be retained. This would effectively limit consolidation to only the metropolitan markets, where there would be sufficient room (above the minimum voices floor) to permit intra-platform consolidation.

Trigger event rules

Although not strictly forming part of the media control rules, the additional local content obligations imposed on commercial radio licensees following certain changes in control ('trigger events') may need to be considered. Removing these trigger event rules would reduce a potential regulatory obligation on the commercial industry and provide some incentive for transactions involving regional commercial radio licences. This may make regional commercial radio licences marginally more attractive to new buyers, or encourage existing players to expand their holdings. However, it is worth noting that the existing trigger event restrictions have not prevented changes in control of regional commercial radio licences, with 95 regional commercial radio licences subject to the obligations stemming from trigger events since 2006. In addition, legislative amendments in 2012 reduced the long term impacts of individual trigger events on affected licensees. As noted above, the bulk of commercial radio licence areas operate as an effective monopoly within the licence area (with all stations owned by the one operator), so there is limited scope for an increase in radio ownership concentration *within* these licence areas.

8. Threshold questions in moving beyond the existing control rules

The existing media control rules are quantitative and straight forward, regulating only the traditional media, focussing on clearly identifiable geographic areas (commercial radio licence areas), and only operating to the extent of control of the platform. Subject to some subjectivity around what constitutes control, it is generally clear whether a particular transaction would be permitted or prevented under these rules. Any move to modify these rules, or to introduce new ones, requires consideration of a number of key questions, namely:

1. Can you target regulation to news media outlets, rather than platforms?
2. Can or should you incorporate online services into a regulatory assessment?

A number of overseas jurisdictions have attempted to move towards definitions of plurality / diversity that take account of the changes in the media landscape, including online services. In 2012, Ofcom (UK) published a report which sought to define media plurality in terms of two elements: a diversity of viewpoints across and within media organisations, and the prevention of any one media owner having too much influence. This review of plurality was restricted to the genre of news and current affairs.

The European Commission has also developed a Media Pluralism Monitor which adopts a wide understanding of pluralism, focused on the supply, distribution and use of media. Both frameworks use a combination of qualitative and quantitative information to analyse media plurality. Despite these initiatives, no country has successfully developed a coherent, transparent and simple measure of media diversity that identifies the number of media voices in a given market, including online, and their influence.

It is certainly possible to define what constitutes news media content, or a news media voice, in general terms. For example:

- > ‘News media content’ could be defined as content that has the character of news or current affairs, or consists of commentary or opinion on, or analysis of, news or current affairs.
- > ‘News media voice’ could be defined as a media service (commercial television, commercial radio, print publication or online outlet) that provides, or substantially provides, news media content, and this might exclude those services that merely aggregate news and provide no editorial input.

The more difficult exercise is to determine the *threshold* for regulation – which news media voices should be subject to control restrictions, and which should not. Ideally, news media voices subject to regulation would be those with significant reach and impact in terms of informing ideas, opinion and debate in the general population in a given market, and would exclude news outlets targeted to narrow or special interest groups, or outlets with limited audience reach. However, drawing this ‘line in the sand’ is not straight forward.

One approach would be to simply list the regulated parties through subordinate legislation. While this would provide a reasonably flexible approach (the list could be varied over time as required), the inclusion of outlets on the list would be subjective and their selection is likely to lack transparency.

An alternative would be to define a threshold for regulation. In other words, regulate certain outlets on the basis of a criterion such as audience or readership. Although this would ensure a more objective basis for the regulation of some media outlets and not others, there may be difficulties with this approach.

The available data sets for the established media are not directly comparable, as the metrics for measuring the audience of a television service, the readership of a print publication, and the visits to a website are all different. Even if methodological differences could be resolved (i.e. surveys were standardised and conducted by the one organisation), it may not be the case that the average audience for a 30 minute news program equates with buying a newspaper, subscribing to an online news service, or watching a 24 hour news channel. For example, a subscriber to an online or print publication may actually engage with the content only periodically, or could be an avid user. This range of use may not have any relationship to 30 minutes of television viewing.

These shortcomings highlight a number of challenges that would arise in regulating plurality or diversity in a contemporary, digital media environment.

- > *Cross-platform measurement*: as noted above, there are few indicators that could measure an audience across all platforms.
 - *Revenue metrics* tend to be based on advertising revenue (not all revenue) and operate at the platform level, rather than provider level. There is also no established method for tracing revenues from multiple platforms back to the originating media provider.
 - *Audience metrics* are more developed and available from the likes of OzTAM, Nielsen and Roy Morgan. However, as noted above, there are differences between platforms in terms of the methodology employed and no one source fully captures the audience for news services across all platforms. For example, a news organisation may distribute content via an online newspaper, a variety of unrelated websites, Twitter and other social networking service like Facebook, video on YouTube and other video portals, and podcasts across various online platforms. They also don't capture digital publications purchased online and email newsletters, where the 'impact' or influence is felt through their distributed newsletters rather than general visits to their website.
 - *Influence metrics* are likely to be the most important in assessing media diversity, but would generally only be able to be captured through consumer or audience surveys. This consumer survey approach has been advocated by Ofcom as a means of eliciting the main sources of news consumed, regardless of the platform, to then produce a cross-platform indicator of the use of news by organisation. This could also examine elements such as the level of 'consumer trust' in outlets, and their perceptions of accuracy and fairness in the

presentation of news and commentary. To date, only ad hoc surveys of this nature have been conducted in Australia.

- > *Weighting*: as noted above, media platforms are unlikely to be equal in terms of their influence, even if the content is the same or similar. For example, five minutes of television-watching is unlikely to equate to five minutes of radio listening, and neither are likely to equate to five minutes of web browsing. To address this issue it may be appropriate to employ some form of weighting which, for example, could be based on factors such as the 'suggestive powers' of the medium (whether it includes text, audio and visual material), the availability of the medium and the topicality of the news (relevance and frequency).
- > *Supply chain issues*: the position of an organisation in a news supply chain, and more specifically their level of editorial control, may affect the organisation's capacity to influence. For example, organisations that simply re-publish news content created by others – as is the case with many online news portals – may be less influential in terms of the number of voices in a given market.

Moreover, producing meaningful online figures for parent companies would require more analysis of editorial and content sharing arrangements, and a detailed examination of the ownership and control of each entity. This would track an organisation's content across websites and other online distribution methods, such as audio and video streaming/downloading, taking into account the fragmented online environment and changing online consumer behaviour.

In conclusion, while most regulatory frameworks governing media ownership (including Australia) operate at the platform level, changes in the media landscape may necessitate a 'rethink' of how these rules, or new rules, should operate. At present, there is no consensus on the process through which audiences are influenced or the best tools to measure such a process. There is also a lack of appropriate data, and no consensus on the best way to measure the level of media plurality in a networked environment. This is true of online services, and also subscription television services which are not currently governed by the control rules.

ATTACHMENT A

International case studies of media ownership regulation

New Zealand

New Zealand has no specific media ownership and control restrictions. Restrictions on foreign ownership of media assets were repealed from the *Broadcasting Act 1989* – the country’s main legislative underpinning for broadcasting regulation – in 1991, and since then media ownership, cross-media ownership, media mergers or takeovers have been governed solely by the country’s general competition laws under the *Commerce Act 1986*. This Act applies broadly across the economy and has restrictions on practices which will lessen competition, comparable with other countries. It is administered by the New Zealand Commerce Commission (NZCC), the country’s primary competition regulatory agency. Media merger propositions need to be approved by the NZCC.

Despite the small size of the market and the lack of sector-specific competition laws, there are four major commercial media conglomerates in New Zealand: APN News & Media, Fairfax Media, MediaWorks and Sky TV. State media is also prominent in the country; the national broadcasters TVNZ, Radio NZ and Maori TV are very popular, and government agency New Zealand On Air provides funding for a wide range of local programming which can then be sold in the open market.

United Kingdom

Ofcom is the primary independent regulator for communications industries in the UK. Ofcom was established by the *Office of Communications Act 2002* and receives its full authority from the *Communications Act 2003* (the Communications Act). The regulator is required to secure “the maintenance of a sufficient plurality of providers of different television and radio services”.⁶⁵

While there have traditionally been strict rules and regulations regarding media ownership in the UK, there has been a push towards market liberalisation in recent years. For example, the *Broadcasting Act 1996* introduced a range of deregulatory measures applying to media ownership, including the relaxation of cross-media ownership restrictions between local commercial television and radio broadcasters and newspapers, and these were further liberalised in 2011 with the removal of specific ‘caps’ on circulation and market share.

The Communications Act removed rules that prevented joint ownership of Channel 3 licences⁶⁶ and that restricted ownership of the Channel 5 licence⁶⁷, and also removed

⁶⁵ Section 3(2)(d) *Communications Act 2003* (UK) <http://www.legislation.gov.uk/ukpga/2003/21/part/1>.

⁶⁶ Channel 3 licences authorise the provision of commercial public service television broadcasting in the UK and are commercially owned. There are currently 15 regional Channel 3 licensees and one national Channel 3 licensee providing the breakfast-time service. The regional Channel 3 licensees are subject to a number of obligations relating to the provision of news services, original programming, independent UK productions, networking (with other Channel 3 licensees) and regional news and programming. ITV provides the Channel 3 service in England, Wales, the Border region, the Channel Islands and the national breakfast service; STV covers northern and central Scotland; and UTV serves viewers in Northern Ireland.

disqualifications on ownership by non-European Union persons (essentially allowing large companies based in the US such as Disney, Time Warner Inc and Viacom to gain a foothold in British television). Ofcom further liberalised local cross-media ownership restrictions with the making of the *Media Ownership (Radio And Cross-Media) Order 2011*. This Order amended Schedule 14 of the Communications Act to remove the rules around local commercial radio service and multiplex ownership and national multiplex ownership, among other changes.

Despite these developments, there remain a number of restrictions on the ownership of local and national media outlets. Channel 4⁶⁸ and S4C⁶⁹ subsidiaries may not hold Channel 3 or Channel 5 licences, and a newspaper group that has an aggregate national market share of 20 per cent or more may not hold a stake in a Channel 3 licence that is greater than 20 percent, and vice-versa, known as the '20/20' rule (the parallel '20/20' rule for regional markets was however abolished in 2011). There is also a local cross-media ownership rule that prevents a company from owning more than two of a local newspaper (with a 50 per cent market share), a commercial radio station, and the regional Channel 3 licence (broadly similar to Australia's 'two-out-of-three' rule).

Perhaps more controversially, the Communications Act broadened an existing 'public interest test' for general mergers under the *Enterprise Act 2002* specifying new public interest considerations that can be applied to mergers involving newspaper or broadcasting enterprises. Under this test, which is administered by the Competition Commission, the Secretary of State for Business, as advised by Ofcom, may choose to intervene if they consider that a media merger will be against the public interest. While there are no hard market share thresholds dictating the parameters of an acceptable merger (apart from the '20/20' rule in the *Communications Act*), the legislative criteria outlined in the *Enterprise Act 2002* dictate "a sufficient plurality of persons with control of the media enterprises" serving a particular audience as a key objective the Competition Commission is to consider.⁷⁰ This has been invoked on three occasions to block major media mergers.⁷¹

As well as being governed by ownership rules under the *Broadcasting Act 1996* and the Communications Act, media mergers and acquisitions are also subject to normal merger regulations under Part 3 of the *Enterprise Act 2002*. Over the last decade or so, the UK's general competition authorities – the Office of Fair Trading (OFT) and the Competition Commission – have investigated, a number of major media merger and acquisition cases in conjunction with Ofcom.

⁶⁷ The Channel 5 licence authorises the provision of commercial public service television broadcasting in the UK and is commercially owned. The Channel 5 licensee is subject to a number of licence obligations relating to the provision of news services, original programming, independent UK productions. In May 2014, Viacom announced that it had agreed to acquire Five (as the network is known) from Richard Desmond, subject to regulatory approval.

⁶⁸ The Channel 4 licence authorises the provision of public television broadcasting in the UK, although it is publicly owned. The Channel is commercially funded but publicly owned, and its licence obligations are focused on supporting independent and original UK productions (including news), with a focus on innovative and educative programming.

⁶⁹ S4C is a Welsh language public service television broadcasting service, publicly owned and funded through a mix of grants, advertising and commercial revenue. Its remit is to provide a broad range of high quality and diverse programming in which a substantial proportion of the programming are in Welsh.

⁷⁰ The public interest criteria is set out in section 58 (2A, 2B and 2C) of the Enterprise Act 2002 (UK)

<http://www.legislation.gov.uk/ukpga/2002/40/section/58>.

⁷¹ The three proposed transactions were Sky/ITV, News Corporation/Sky and Global Radio/GMG Radio. Department of Culture, Media & Sport, July 2013, *Media Ownership and Plurality*, p. 5, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/225790/Media_Plurality_Consultation_2013.pdf.

There have also been calls from EU-level institutions such as the Competition Directorate of the European Commission for the regulation of diversity in the UK's media sector to be delegated to competition watchdogs.⁷² Additionally, there have been concerns expressed about the application and interpretation of relevant laws.⁷³ Despite these developments, the UK appears to be committed to retaining a 'two-pronged approach' with media mergers and acquisitions subject to approval by both Ofcom and the competition regulators.

As recently as February 2014, the House of Lords Select Committee for Communications stated that there "should be a crystal clear distinction between competition and plurality policy, with transactions assessed on both grounds where relevant in a way which keeps competition and plurality considerations apart."⁷⁴ The Committee's Chairman also outlined a recommendation that Ofcom take a leading role in deciding whether specific media transactions can go ahead.

Canada

The Canadian Radio-television and Telecommunications Commission (CRTC) is the primary broadcasting regulator in Canada, overseeing the industry's main legislative underpinning: the *Broadcasting Act 1991* and the *Telecommunications Act 1993*. The CRTC does not regulate ownership of newspapers or internet media, although interests in those media may be taken into consideration in decisions pertaining to a licensee's broadcasting operations. The CRTC has the power to make determinations on industry mergers, acquisitions, and changes of ownership in the industry.⁷⁵

Media outlets in Canada are owned by a relatively small number of companies, each operating a diverse portfolio of media services. As with other countries, media ownership has changed in recent years due to a significant number of mergers and takeovers by large companies.⁷⁶

In 2008, the CRTC introduced rules limiting companies to owning two types of media in a given market — similar to Australia's '2 out of 3' rule — and put a cap on audience reach

⁷² Smith, P 2003, *Too much or not enough? Competition law and television broadcasting regulation in the United Kingdom*, Westminster Papers in Communication and Culture, vol. 9, issue 3, December 2013, http://www.westminster.ac.uk/data/assets/pdf_file/0006/283209/The-Challenges-of-Breaking-Disciplinary-Boundaries-v2.pdf.

⁷³ For example, in December 2007 the UK Competition Commission required BSkyB to reduce its 17.9 stake in ITV to 7.5 per cent even though the acquisition did not exceed limits set out in the *Communications Act 2003*. Harcourt, A & Picard, R.G 2009, *Policy, Economic, and Business Challenges of Media Ownership Regulation*, Journal of Media Business Studies, p 1,

http://www.academia.edu/3632449/Policy_Economic_and_Business_Challenges_of_Media_Ownership_Regulation. The rationale from the Competition Commission was that despite not breaching the 20/20 rule, the acquisition would allow BSkyB to influence ITV strategy so as to substantially lessen competition in the UK television market. Smith 2003, p. 143.

⁷⁴ Lord Inglewood, Committee Chairman, House of Lords Select Committee on Communications, *Final say on media transactions for Ofcom, not Culture Secretary*, 4 February 2014, <http://www.parliament.uk/business/committees/committees-a-z/lords-select/communications-committee/news/plurality-report/>.

⁷⁵ Canadian Radio-television and Telecommunications Commission 2009, *Communications Monitoring Report 2009*, p. 7, <http://www.crtc.gc.ca/eng/publications/reports/policymonitoring/2009/2009MonitoringReportFinalEn.pdf>.

⁷⁶ The Canadian Encyclopedia 2013, *Media Ownership*, last edited 16 December 2013, <http://www.thecanadianencyclopedia.com/en/article/media-ownership/>.

for television broadcasters at 45 per cent.⁷⁷ Foreign ownership in Canada is restricted,⁷⁸ with broadcasting licensees required to have 80% Canadian ownership.⁷⁹

The *Investment Canada Act 1985* screens all major foreign investments in Canada, and considers the broadcasting and telecommunication sectors especially important, meaning they are subject to specific limits.⁸⁰

As well as scrutiny from the CRTC, media mergers and acquisitions in Canada are subject to general competition regulation under the *Competition Act 1985*, administered by the competition regulator, the Competition Bureau. The Competition Bureau regards the advertising market as the general point of reference in relation to competition regulation in the media sector, and regards the different mediums as having distinct advertising markets. As such, it has publicly stated that it is generally satisfied that adequate competition exists in each market.⁸¹

USA

The Federal Communications Commission (FCC) is an independent government agency overseen by Congress, and is the primary authority responsible for communications law and regulation in the US. The agency sets limits on media ownership and control, through powers given to it by the *Telecommunications Act 1996* (the 1996 Act). The 1996 Act, which overhauled the *Communications Act of 1934*, was the country's broadest reform of broadcasting regulation in more than six decades.⁸²

Regulation of broadcasting ownership in the US is designed to ensure media plurality in local television and radio markets. As required by Congress, the FCC reviews its media ownership rules every four years to determine whether they are in the public interest. There are a range of strict rules relating to 'minimum voices' in local markets and cross-media ownership limits, which are generally based on sliding scales corresponding to the size of the market.⁸³ As well as local market limits, there are also nationwide restrictions such as a 39 per cent national audience cap for television owners;⁸⁴ a rule prohibiting a merger between the 'Big 4' networks (ABC, CBS, Fox and NBC), known as the 'dual network rule'; and foreign ownership restrictions capping international investment at 25 per cent.

⁷⁷ Canadian Radio-television and Telecommunications Commission 2008, *Broadcasting Public Notice CRTC 2008-4*, 15 January 2008, <http://www.crtc.gc.ca/eng/archive/2008/pb2008-4.htm>.

⁷⁸ Part 16 of the *Telecommunications Act 1993* (Canada) deals with Canadian Ownership and Control, <http://laws-lois.justice.gc.ca/eng/acts/t-3.4/page-5.html#h-9>.

⁷⁹ In 2011, the CRTC recommended that "the Government of Canada reaffirm the importance and necessity of Canadian control and ownership of Canadian broadcasting." Report of the Standing Committee on Canadian Heritage 2011, *Impacts of Private Television Ownership Changes and the move towards New Viewing Platforms*, House of Commons (Canada), March 2011, <http://www.parl.gc.ca/content/hoc/Committee/403/CHPC/Reports/RP5035514/chpcrp09/chpcrp09-e.pdf>.

⁸⁰ Dwyer, T, Wilding, D, Wilson, H, Curtis, S 2006, *Content, Consolidation and Clout: How will regional Australia be affected by media ownership changes?*, Communications Law Centre 2006, p 145, <http://search.informit.com.au/documentSummary;dn=849141172926194;res=IELBUS>.

⁸¹ Dwyer et al. 2006, p 149.

⁸² ShoreTel Sky n.d, *A Brief History of the Telecommunications Act of 1996*, <http://www.shoretelsky.com/resources/telecommunications-act-of-1996/>.

⁸³ For example if a market has fewer than 14 radio stations, then one company can own up to five radio stations, but not more than 50 per cent of the stations in the market. However if a market has between 30 and 44 radio stations, then one company can own up to seven radio stations. Another example is that a company may own both one television station and one radio station in any market; however if there are at least 20 independently owned media voices in the market, a company may own up to two television stations and up to six radio stations OR one television station and up to seven radio stations.

⁸⁴ This was lifted in 2003 from the original designation of a 35 per cent cap in the 1996 Act. The FCC proposed to raise the limit to 45 per cent, however Congress stepped in and passed legislation setting the cap at 39 per cent. Common Cause n.d, *About the Media Ownership Rules*, <http://www.commoncause.org/site/pp.asp?b=2030875&c=dkLNK1MQLwG>.

A number of generally liberalising measures were introduced in the 1996 Act, some of which included:

- > removing a cap limiting the number of commercial radio stations one company could own
- > lifting the number of local commercial television stations a corporation could own
- > easing cable broadcast cross-ownership rules
- > increasing the term of a broadcast licence from five to eight years and making it more difficult for citizens to challenge licence renewals.⁸⁵

General competition regulation (known as ‘antitrust’ laws in the US) is governed by two main bodies: the Federal Trade Commission and the Department of Justice Antitrust Division, which often work together to prevent mergers and acquisitions that are likely to reduce competition. However, there is no specific regulation governing media plurality outside of the rules imposed by the FCC.

Despite the retention of certain ownership limits and other measures, the contemporary US media landscape has seen a general trend towards industry consolidation and cross-media ownership. This conclusion is supported by studies conducted by Pew Research⁸⁶ and the Media Reform Information Centre.⁸⁷ One example is the growth of Clear Channel Communications from 40 commercial radio stations to approximately 1200 stations as a result of acquisition activity following the removal of the cap on commercial radio ownership in the 1996 Act.⁸⁸ In the commercial television market, ten of the largest networks GREW from a combined total of 104 stations in 1995 to 299 stations in 2003, with mergers occurring even before the 1996 Act was passed as corporations anticipated the relaxation of rules.⁸⁹

There are a range of reasons for this. Firstly, because cross-media propositions are considered on a case-by-case basis,⁹⁰ the FCC has issued a number of waivers allowing mergers in some of the biggest markets,⁹¹ and in some cities has allowed newspaper-television combinations under “grandfathering” clauses.⁹² Another factor is the use of Shared Service Agreements (SSA), under which large media companies buy broadcast stations using an SSA that permits the operation of some purchased stations without assuming full ownership.⁹³ SSAs allow news stations to share resources such as

⁸⁵ Jolly, R 2007, *Media ownership deregulation in the United States and Australia: in the public interest?* Research Paper no. 1 '07-08, Parliament of Australia,

http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/RP0708/08rp01.

⁸⁶ “The year 2012 was one of consolidation in the TV sector, impacting local, network and cable television news.” Pew Research Centre 2013, *State of the News Media 2013: an annual report on American Journalism*, <http://stateofthemediamedia.org/2013/overview-5/key-findings/>.

⁸⁷ Jolly 2007; similar figures were cited by John McCain in a Senate hearing, see Dwyer et al. 2006, p 157

⁸⁸ Jolly 2007; see also Common Cause n.d., *About the Media Ownership Rules*,

<http://www.commoncause.org/site/pp.asp?b=2030875&c=dkLNK1MQIwG>.

⁸⁹ Jolly 2007.

⁹⁰ Wise, AS 2011, *Broadcast Ownership Rules and Innovation*, 2010 FCC Media Ownership Study 10, p. 7,

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-308510A1.pdf.

⁹¹ Reuters, *FCC withdraws proposal to relax media ownership rules*, 17 December 2013,

<http://www.reuters.com/article/2013/12/17/us-usa-fcc-mediaownership-idUSBRE9BG15R20131217>.

⁹² Common Cause n.d., *About the Media Ownership Rules*,

<http://www.commoncause.org/site/pp.asp?b=2030875&c=dkLNK1MQIwG>.

⁹³ Rockefeller, JD 2013, Chairman of the Senate Committee on Commerce, Science, and Transportation, *letter to the Chairman of the Federal Communications Commission*, as cited in Free Press, 25 November 2013,

http://www.freepress.net/sites/default/files/resources/Rockefeller_letter_to_Wheeler_SSAs_11_25_13.pdf.

employees, administrative services, or a news helicopter. Some commentators have argued that this is a loophole allowing companies to avoid the operation of ownership limit.

In 2003, the Prometheus Radio Project challenged the new media ownership rules put forth by the FCC in what has become a landmark case. The case continued until 2010 and involved a range of judgements and protracted appeals.

Despite the US Court of Appeals for the Third Circuit agreeing with the FCC that local programming was *promoted* by cross-ownership and that liberalisation of cross-media rules was in the public interest,⁹⁴ the Third Circuit ultimately rejected the FCC's attempts to reform media ownership rules.⁹⁵

In its latest quadrennial review of media ownership laws, released in April 2014 (originally due in 2010 but now being rolled into the 2014 review), the FCC announced plans for significant reforms.⁹⁶ Although the proposals do not go as far as previously envisaged, there are still a number of liberalising reforms recommended in the report. For example, rather than the removal of an absolute ban on newspaper/broadcast cross-ownership (operating in the same locale), the review report recommends that an existing ban on newspaper and commercial radio ownership be removed, while the ban on newspaper and commercial television ownership be retained (while continuing to allow waivers to this rule under modified guidelines).⁹⁷

Additionally, the review report recommends removing a ban on commercial radio and television cross-ownership,⁹⁸ but recommends retaining commercial radio ownership limits (within local markets),⁹⁹ retaining the dual network rule,¹⁰⁰ and retaining the local television ownership rule (with a limited modification).¹⁰¹

Further tightening measures in the report include a requirement for companies to disclose Shared Service Agreements or SSAs (referred above) so that the impacts of such agreements can be examined more thoroughly,¹⁰² with a view to addressing the negative impacts of competition, localism and diversity that result from SSAs.¹⁰³

Furthermore, on 31 March 2014, the FCC announced that Joint Sales Agreements (which allow one television station to sell advertising time on another station in the same market) create an ownership interest where the amount of advertising time sold exceeds

⁹⁴ The Third Circuit ruled that localism was the principal reason to relax cross-media ownership rules between newspapers and broadcasters because it allowed newspaper-owned broadcast stations to pool their resources and increase the quantity and quality of local news. Furthermore, it stated that there was no evidence that ownership influences the diversity of viewpoints. See Oviedo, N 2013, *Preserving cross-media ownership limits*, Connecticut Journal of International Law, p. 359.

⁹⁵ Free Press 2011, *Court Rejects FCC Attempt to Weaken Media Ownership Rules*, July 2011, <http://www.freepress.net/press-release/2011/7/7/court-rejects-fcc-attempt-weaken-media-ownership-rules>; see also Dwyer et al. 2006, pp. 157-161 for details on the FCC's proposals and their ultimate rejection by the Third Circuit.

⁹⁶ Federal Communications Commission 2014, *2014 Quadrennial Regulatory Review*, 15 April, 2014 <http://www.fcc.gov/document/2014-quadrennial-regulatory-review>.

⁹⁷ Ibid, part 3C.

⁹⁸ Ibid, part 3D.

⁹⁹ Ibid, part 3B.

¹⁰⁰ Ibid, part 3E.

¹⁰¹ Ibid, part 3A.

¹⁰² At the moment it is not mandatory for SSAs to be disclosed and therefore the Commission has refrained from passing judgement until it can broaden its understanding of how SSAs operate and the potential impacts on competition, localism and diversity, hence an interim measure of full disclosure has been mooted at this stage.

¹⁰³ Federal Communications Commission 2014, *2014 Quadrennial Regulatory Review*, part 5.

certain thresholds.¹⁰⁴ The FCC has given affected stations two years to unwind these agreements and come into compliance with applicable local ownership limits.¹⁰⁵ The report also indicated a disposition not to relax the 25 per cent limit on foreign investment in US broadcast companies, pending further deliberations.

Germany

Under the German Constitution, the country's states (Länder) are given exclusive powers to regulate the broadcasting industry as part of their 'cultural sovereignty'.¹⁰⁶ As a consequence, while Germany has the largest media market in Europe, the market is in practice subject to a high degree of regionalism. The newspaper sector is almost wholly regional and there is a relatively small national press market.¹⁰⁷ The broadcasting sector also operates largely on a state-by-state basis, with even the strong public broadcasters (which command around half of the country's audience share) run mainly by state governments.¹⁰⁸ The only federally operated television broadcaster is Germany's Deutsche-Welle, which produces television and radio content exclusively for overseas audiences, much like the Australia Network.

The legislative bodies of the Länder are specifically empowered and required to provide safeguards against concentration of ownership to prevent there being a dominant influence on public opinion.¹⁰⁹ As broadcasting is regulated by each state individually, national broadcasters (both public and commercial) operate under a licencing agreement between the Länder called the Interstate Broadcasting Agreement (RStV). This law, created in 2005, is an attempt to harmonise ownership and diversity regulations in a national policy,¹¹⁰ and is designed to ensure that viewers have access to multiple sources of information and to prevent the emergence of a dominant single broadcaster. A different set of rules apply to regional and local broadcasters under the respective media laws of each state.¹¹¹

The German Commission on Concentration in the Media (KEK) is an independent regulatory body with nationwide jurisdiction. It is in charge of securing the plurality of opinion in nationally-transmitted private television,¹¹² and acts as an over-arching regulator for the Länder in matters of competition regulation and media ownership in the broadcasting sector. The KEK assesses mergers or acquisitions where market reach is 25 or 30 per cent, depending on other media interests held by the companies involved.

¹⁰⁴ Federal Communications Commission 2014, *FCC Adopts JSA Rule and Begins 2014 Media Ownership Quadrennial Review*, 31 March 2014, <http://www.fcc.gov/document/fcc-adopts-jsa-rule-and-begins-2014-media-ownership-quadrennial-review>.

¹⁰⁵ Federal Communications Commission 2014, *2014 Quadrennial Regulatory Review*, part 6A.

¹⁰⁶ European Journalism Centre 2014, *Media Landscapes: Germany*, http://ejc.net/media_landscapes/germany.

¹⁰⁷ Ward, W 2004, *A mapping study of media concentration and ownership in ten European countries*, Netherlands Media Authority, p. 67, <http://77.87.161.246/wp-content/uploads/2013/08/A-Mapping-Study-of-Media-Concentration-and-Ownership-in-Ten-European-Countries.pdf>.

¹⁰⁸ European Journalism Centre 2014, *Media Landscapes: Germany*, http://ejc.net/media_landscapes/germany; see also Canadian Radio-television and Telecommunications Commission 2007, *Media Ownership; Rules Regulations and Practices in Selected Countries and Their Potential Relevance to Canada* (Germany), July 2007 <http://www.crtc.gc.ca/eng/publications/reports/mcewen07.htm>.

¹⁰⁹ Die Kommission zur Ermittlung der Konzentration im Medienbereich (KEK) n.d., *The Constitutional principles mandating diversity of opinion in television*, <http://www.kek-online.de/commission/constitutional-principles.html?L=1>.

¹¹⁰ Canadian Radio-television and Telecommunications Commission 2007, *Media Ownership; Rules Regulations and Practices in Selected Countries and Their Potential Relevance to Canada* (Germany), July 2007 <http://www.crtc.gc.ca/eng/publications/reports/mcewen07.htm>.

¹¹¹ Ward 2004, p. 90.

¹¹² KEK n.d., *Home page*, <http://www.kek-online.de/?L=1>.

An average annual audience share of 30 per cent is deemed to be a controlling influence for the purposes of plurality assessments.¹¹³

Media mergers and acquisitions are subject to competition law governed by the *2005 Act Against Restraints of Competition (GWB)*, which is administered by the German Cartel Office (BKA). Under this act, companies must notify the BKA if the parties to a merger exceed particular annual turnover limits, which vary. There is extra scrutiny placed on media companies, including multiplication factors which effectively lower the threshold that will make a merger between media companies subject to control rules in the GWB.

General competition law in the GWB encompasses both the newspaper and broadcasting industries. However, broadcasting interests are also examined by the KEK.¹¹⁴ There are cross-media restrictions between print media companies and broadcasters located in the same area, and in cases of mergers between print media publishers, a maximum market share of 24.5 per cent is permitted. There are no restrictions preventing (non-EU) foreign ownership of media interests in Germany.¹¹⁵

European Union

The European Union (EU) has a public policy goal of preserving media diversity, in part because of the cultural autonomy associated with mass media in individual countries. Indeed, protecting the “freedom and pluralism of the media” is enshrined in Article 11 (2) of the EU’s *Charter of Fundamental Rights*.¹¹⁶ While the EU is committed to this goal, it also recognises the weakness of fragmented media markets in an ever-globalising world and appears to have taken a pragmatic approach to regulation that acknowledges economic realities faced by its various member states.

The EU, through the European Commission, has tended to focus on competition factors and competition law to regulate media businesses, leaving specific content and media diversity protection to member states. It has argued that competition laws can respond to abuses of market power or dominance and set the principles to reflect market conditions it deems appropriate, but that national regulators have jurisdiction over issues of media pluralism, diversity and freedom of information.¹¹⁷

With general agreement about the power that media has to inform public opinion, competition law in the media sector is given special treatment by the EU. For example, the media industry is subject to lower turnover thresholds than other industries for the purpose of triggering competition assessment of mergers and acquisitions. However Article 21 (4) of the *139/2004 Merger Regulation* stipulates that member states can

¹¹³ Art. 26 (1)-(2) Rundfunkstaatsvertrag (RStV) 1996 (Interstate Broadcasting Agreement) <http://www.iuscomp.org/gla/statutes/RuStaV.htm>.

¹¹⁴ Ward 2004, p. 90.

¹¹⁵ Katholieke Universiteit Leuven, Jönköping International Business School, Central European University and Ernst & Young Consultancy Belgium 2009, *Independent Study on Indicators for Media Pluralism in the Member States – Towards a Risk-based Approach*, Commission of the European Communities, pp. 258-9. http://ec.europa.eu/information_society/media_taskforce/doc/pluralism/study/germany.pdf

¹¹⁶ Charter of Fundamental Rights of the European Union 2000, *Official Journal of the European Communities* http://www.europarl.europa.eu/charter/pdf/text_en.pdf.

¹¹⁷ Canadian Radio-television and Telecommunications Commission 2007, *Media Ownership; Rules Regulations and Practices in Selected Countries and Their Potential Relevance to Canada* (The European Union), July 2007 <http://www.crtc.gc.ca/eng/publications/reports/mcewen07.htm>.

apply additional controls in order to protect pluralism in the media,¹¹⁸ showing the EU's support for the management of these issues by national regulators.

Some commentators have argued that there has been a trend in recent years to remove ownership rules and restrictions on media ownership within Europe “in order that ‘domestic champions’ can bulk up to ‘fend off’ the US threat”, and this has been a key argument for loosening ownership rules in Europe.¹¹⁹ However, due to the segmented nature of media markets in Europe, language barriers, the small size of national markets, strong local players with historical and cultural clout, and various socio-political factors, it has been difficult for European companies to achieve significant international reach.

The driver for media policy in the EU for member states is the “Television without Frontiers Directive”. This directive allows for the free movement of European television programmes within the internal market and mandates broadcasting quotas for European works. The directive also safeguards certain important public interest objectives, such as cultural diversity, advertising, the protection of minors and the right of reply.¹²⁰

In recent years, the European Union has commissioned a major independent study into media pluralism which resulted in a measuring tool called the “Media Pluralism Monitor” (MPM) to identify potential risks to media pluralism so that it can be more objectively assessed.¹²¹ The pilot implementation has been rolled out in nine countries and a lot of work continues to be done in this area. For example, in November 2013, the Council of the European Union adopted recommendations on media freedom and pluralism in the digital environment that resulted from these studies.¹²²

¹¹⁸ Commission of the European Communities 2007, *Media pluralism in the Member States of the European Union*, p. 7, http://ec.europa.eu/information_society/media_taskforce/doc/pluralism/media_pluralism_swp_en.pdf.

¹¹⁹ Harcourt, A & Picard, R.G 2009, p. 5.

¹²⁰ Europa 2008, Summaries of European Union legislation, *Television broadcasting activities: "Television without Frontiers" (TVWF) Directive*, last updated 9 September 2008, http://europa.eu/legislation_summaries/audiovisual_and_media/l24101_en.htm.

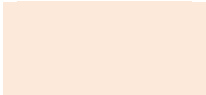
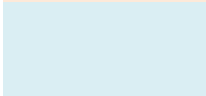
¹²¹ European Commission 2014, *Independent Study on Indicators for Media Pluralism*, <http://ec.europa.eu/digital-agenda/node/120>.

¹²² European Commission 2014, *Media Freedom and Pluralism*, <http://ec.europa.eu/digital-agenda/en/media-freedom-and-pluralism>.

ATTACHMENT B

Media diversity in metropolitan and regional areas

Key

	Indicates that the controller holds the maximum of 2 regulated platforms in the licence area ('2 out of 3' rule).
	Indicates that the controller holds the maximum of 2 commercial radio licences in the licence area ('2 to a market' rule).
'Voices'	The number of voices (or points) in the licence area ('5/4' rule).
	* Indicates that the diversity of the licence area is below the minimum.
TV licences	# Indicates that the licence is allocated under section 38A, 38B or 38C of the <i>Broadcasting Services Act 1992</i> . These licences are not subject to the diversity rules.

METROPOLITAN LICENCE AREAS

Sydney RA1	Controller	Media asset	Media type	Platforms
10 voices	SC Austereo	2DAY 2MMM	Commercial radio	1
	DMG Radio/ News Limited	Nova 96.9 95.3 FM Daily Telegraph	Commercial radio Associated newspaper	2
	Macquarie Radio Network	2CH 2GB	Commercial radio	1
	Super Radio Network	2SM	Commercial radio	1
	ARN	KIIS FM	Commercial radio	1
	Fairfax Media	2UE Sydney Morning Herald	Commercial radio Associated newspaper	2
	2KY	2KY	Commercial radio	1
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	Network TEN	TEN	Commercial TV	1

Melbourne RA1	Controller	Media asset	Media type	Platforms
9 voices				
	SC Austereo	3MMM 3FOX	Commercial radio	1
	ARN	Mix 101.1 Gold 104.3	Commercial radio	1
	DMG Radio/ News Limited	91.5 FM Nova 100.3 Herald Sun	Commercial radio Associated newspaper	2
	Pacific Star Network	SEN MTR	Commercial radio	1
	3UZ	Radio Sport National	Commercial radio	1
	Nine Network	Nine	Commercial TV	1
	Seven West Media	Seven	Commercial TV	1
	Network Ten	TEN	Commercial TV	1
	Fairfax Media	3AW 693 Magic 1278 The Age	Commercial radio Associated newspaper	2

Brisbane RA1	Controller	Media asset	Media type	Platforms
8 voices				
	SC Austereo	4MMM 4BBB	Commercial radio	1
	Fairfax Media	4BC 4BH 882	Commercial radio	1
	ARN	4KQ 97.3 FM (JV)	Commercial radio	1
	DMG Radio / News Limited	97.3 FM (JV) Nova 106.9 Courier Mail	Commercial radio Associated newspaper	2
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	Radio TAB	RadioTAB	Commercial radio	1
	Network Ten	TEN	Commercial TV	1

Adelaide RA1	Controller	Media asset	Media type	Platforms
6 voices				
	SC Austereo	SAFM 5MMM	Commercial radio	1
	DMG Radio / News Limited	Nova 91.9 Fiveaa The Advertiser	Commercial radio Associated newspaper	2
	ARN	Cruise1323 Mix 102.3	Commercial radio	1
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	Network Ten	TEN	Commercial TV	1

Perth RA1	Controller	Media asset	Media type	Platforms
7 voices				
	SC Austereo	6MIX 92.9 FM	Commercial radio	1
	Fairfax Media	96fm 6PR	Commercial radio	1
	DMG Radio / ARN	93.7 (JV)	Commercial radio	1
	Seven West Media	Seven West Australian	Commercial TV Associated newspaper	2
	Nine Network	Nine	Commercial TV	1
	Network Ten	TEN	Commercial TV	1
	Capital Radio Network	6iX	Commercial radio	1

REGIONAL NEW SOUTH WALES

Canberra RA1	Controller	Media asset	Media type	Platforms
5 voices				
	ARN / SC Austereo	Mix 106.3 (JV) FM 104.7 (JV) Southern Cross TEN	Commercial radio Commercial TV	2
	Grant Broadcasters / Kevin Blyton	2CA (JV) 2CC (JV)	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Fairfax Media	Canberra Times	Associated newspaper	1

Albury RA1	Controller	Media asset	Media type	Platforms
5 voices				
	SC Austereo	STAR FM The River Southern Cross TEN	Commercial radio Commercial TV	2
	ACE Radio	2AY	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Fairfax Media	Border Mail	Associated newspaper	1

Armidale RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	FM 100.3 2AD	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1

Bathurst RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Camplin Group	2BS GOLD B-Rock 99.3 FM	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Fairfax Media	Western Advocate	Associated newspaper	1

Bega RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Grant Broadcasters	Power FM 2EC	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1

Broken Hill RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Super Radio Network	2BH Hill FM	Commercial radio	1
	SC Austereo	Southern Cross TV Nine# Southern Cross TEN#	Commercial TV	1
	Barrier Trades and Labour Council	Barrier Daily Truth	Associated newspaper	1

* Below minimum voices threshold; # BSA section 38A and 38B licences

Campbelltown RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Win Corporation	C91.3 FM	Commercial radio	1
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	Network TEN	TEN	Commercial TV	1

Coffs Harbour RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	2CS STAR FM Southern Cross TEN	Commercial radio	2
	Super Radio Network	Easy Listening 639	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1

Cooma RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Kevin Blyton	2XL Snow FM	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1

Deniliquin RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	North East Broadcasters	2QN Classic Rock	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

* Below minimum voices threshold

Dubbo RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Super Radio Network	2DU ZOO FM	Commercial radio	1
	SC Austereo	STAR FM Southern Cross TEN	Commercial radio Commercial TV	2
	WIN Corporation	WIN Television	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1
	Fairfax Media	Daily Liberal and Macquarie Advocate	Associated newspaper	1

Gosford RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	2GO Sea FM Southern Cross TEN	Commercial radio Commercial TV	2
	Nine Network	Nine (NBN)	Commercial TV	1
	DMG Radio	Star 104.5	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1

Goulburn RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Grant Broadcasters / Kevin Blyton	2GN (JV) Eagle FM (JV)	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1

Grafton RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Super Radio Network	2GF FM 104.7	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1
	APN News & Media	Daily Examiner	Associated newspaper	1

Griffith RA1	Controller	Media asset	Media type	Platforms
2 voices*				
	SC Austereo	2RG STAR FM	Commercial radio	1
	WIN Corporation	WIN Television# WIN Television (Seven) WIN Television (TEN)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38A and 38B licences

Gunnedah RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	Triple G 2MO	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1

Inverell RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	Gem FM 2NZ	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1

Katoomba RA1	Controller	Media asset	Media type	Platforms
4 voices				
	ARN	Edge 96.1	Commercial radio	1
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	Network Ten	TEN	Commercial TV	1

Kempsey RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	2MC FM STAR FM	Commercial radio	2
	Super Radio Network	Southern Cross TEN Easy Listening 531	Commercial TV Commercial radio	1
	Nine Network	Nine (NBN)	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1

Lismore RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Super Radio Network	2LM ZZZ FM	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1
	APN News & Media	Northern Star	Associated newspaper	1

Lithgow RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Midwest Radio Network	900 2LT 107.9 FM	Commercial radio	1
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	Network Ten	TEN	Commercial TV	1

Moree RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	NOW FM 2VM	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1

Mudgee RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	2MG	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Mudgee RA3	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	Real FM	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Murwillumbah RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	Radio 97 AM	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1

Muswellbrook RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Grant Broadcasters	2NM Power FM	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1

Newcastle RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Super Radio Network	New FM	Commercial radio	1
	SC Austereo	2HD KO FM NX FM	Commercial radio	2
		Southern Cross TEN	Commercial TV	
	Prime Media Group	PRIME	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1
	Fairfax Media	The Herald	Associated newspaper	1

Nowra RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Grant Broadcasters	Power FM 2ST	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Orange RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Super Radio Network	Easy Listening 1089	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	STAR FM	Commercial radio	2
		2GZ		
		Southern Cross TEN	Commercial TV	
	WIN Corporation	WIN Television	Commercial TV	1
	Fairfax Media	Central Western Daily	Associated newspaper	1

Parkes RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	ROK FM 95.5	Commercial radio	1
		2PK		
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Tamworth RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Super Radio Network	2TM	Commercial radio	1
		FM 92.9		
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Nine network	Nine (NBN)	Commercial TV	1
	Fairfax Media	The Northern Daily Leader	Associated newspaper	1

Taree RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	2RE	Commercial radio	1
		Max FM		
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Nine Network	Nine (NBN)	Commercial TV	1

Wagga Wagga RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	2WG	Commercial radio	2
		STAR FM		
		Southern Cross TEN	Commercial TV	
	WIN Corporation	WIN Television	Commercial TV	1
	Fairfax Media	The Daily Advertiser	Associated newspaper	1

Western Suburbs Sydney RA1	Controller	Media asset	Media type	Platforms
4 voices				
	ARN	WSFM 101.7	Commercial radio	1
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	Network Ten	TEN	Commercial TV	1

Wollongong RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Grant Broadcasters	Wave FM	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	2
		i98 FM	Commercial radio	
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Fairfax Media	Illawarra Mercury	Associated newspaper	1

Young RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Super Radio Network	STAR FM 2LF	Commercial radio	1
	WIN Corporation	WIN Television	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1

REGIONAL VICTORIA

Ballarat RA1	Controller	Media asset	Media type	Platforms
6 voices				
	Grant Broadcasters	3BA FM Power FM	Commercial radio	1
	Camplin / Kevin Blyton	Radio Sport 927(JV)	Commercial radio	1
	WIN Corporation	WIN Television	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Fairfax Media	The Courier	Associated newspaper	1

Bendigo RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	STAR FM 3BO	Commercial radio	2
		Southern Cross TEN	Commercial TV	
	WIN Corporation	WIN Television	Commercial TV	1
	Fairfax Media	Bendigo Advertiser	Associated newspaper	1

Colac RA1	Controller	Media asset	Media type	Platforms
4 voices				
	ACE Radio	MIXX FM 3CS	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Geelong RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Grant Broadcasters	KROCK BAY FM	Commercial radio	1
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	Network Ten	TEN	Commercial TV	1
	News Limited	Geelong Advertiser	Associated newspaper	1

Hamilton RA1	Controller	Media asset	Media type	Platforms
4 voices				
	ACE Radio	MIXX FM 3HA	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Horsham RA1	Controller	Media asset	Media type	Platforms
4 voices				
	ACE Radio	MIXX FM 3WM	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Maryborough (Vic) RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Grant Broadcasters	Easymix	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Fairfax Media	Bendigo Advertiser	Associated newspaper	1

Mildura RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Grant Broadcasters	Easymix	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
		MDV (JV)#		
	SC Austereo	STAR FM	Commercial radio	1
		3MA FM		
	WIN Corporation	WIN Television	Commercial TV	1
		MDV (JV)#		
	Elliot Newspaper Group	Sunraysia Daily	Associated newspaper	1

BSA section 38B digital only licence

Sale RA1	Controller	Media asset	Media type	Platforms
4 voices				
	ACE Radio	TRFM	Commercial radio	1
		GOLD 1242		
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Shepparton RA1	Controller	Media asset	Media type	Platforms
5 voices				
	3UZ	Radio Sport National	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	STAR FM	Commercial radio	2
		3SR FM		
		Southern Cross TEN	Commercial TV	
	WIN Corporation	WIN Television	Commercial TV	1
	McPherson Media	Shepparton News	Associated newspaper	1

Swan Hill RA1	Controller	Media asset	Media type	Platforms
4 voices				
	ACE Radio	MIXX FM	Commercial radio	1
		3SH		
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Wangaratta RA1	Controller	Media asset	Media type	Platforms
4 voices				
	North East Broadcasters	Edge FM	Commercial radio	1
		3NE		
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1

Warragul RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	STAR FM Southern Cross TEN	Commercial radio Commercial TV	2
	Prime Media Group	PRIME	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Resonate Broadcasting	3GG	Commercial radio	1

Warrnambool RA1	Controller	Media asset	Media type	Platforms
5 voices				
	ACE Radio	Coast FM 3YB	Commercial radio	1
	Prime Media Group	PRIME	Commercial TV	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Fairfax Media	Warrnambool Standard	Associated newspaper	1

REGIONAL QUEENSLAND

Atherton RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	Hot FM Southern Cross TEN	Commercial radio Commercial TV	2
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	NQ Radio	4AM	Commercial radio	1

Bundaberg RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Grant Broadcasters	4BU 1332 AM 93.9 HITZ FM	Commercial radio	1
	SC Austereo	SEA FM Southern Cross TEN	Commercial radio Commercial TV	2
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	APN News & Media	Bundaberg NewsMail	Associated newspaper	1

Cairns RA1	Controller	Media asset	Media type	Platforms
5 voices				
	SC Austereo	Hot FM SEA FM Southern Cross TEN	Commercial radio	2
	Seven West Media	Seven QLD	Commercial TV	1
	Grant Broadcasters	ZINC 102.7 FM 4CA AM	Commercial radio	1
	WIN Corporation	WIN Television	Commercial TV	1
	News Limited	Cairns Post	Associated newspaper	1

Charleville RA1	Controller	Media asset	Media type	Platforms
3* voices				
	Macquarie Radio Network n SC Austereo	4VL Triple C FM CDT (JV)# Southern Cross Television	Commercial radio	1
	Imparja	CDT (JV)# Imparja TV	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Charters Towers RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Resonate Broadcasting	HOT FM 4GC	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	Win Television	Commercial TV	1

Emerald RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	Hot FM Southern Cross TEN	Commercial Radio	2
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Macquarie Radio Network	4HI	Commercial radio	1

Gold Coast RA1	Controller	Media asset	Media type	Platforms
5 voices				
	SC Austereo	SEA FM GOLD FM Southern Cross TEN	Commercial radio	2
	Nine Network	Nine (NBN)	Commercial TV	1
	Prime Media Group	PRIME	Commercial TV	1
	Hot Tomato Broadcasting	1029 Hot Tomato	Commercial radio	1
	News Limited	Gold Coast Bulletin	Associated newspaper	1
Gympie RA1	Controller	Media asset	Media type	Platforms
6 voices				
	Grant Broadcasters	ZINC 96.1 FM	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Super Radio Network	4GY	Commercial radio	1
	APN News & Media	Gympie Times	Associated newspaper	1
Innisfail RA1	Controller	Media asset	Media type	Platforms
4 voices				
	NQ Radio	Kool FM Radio 4KZ	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
Ipswich RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Grant Broadcasters	River 949	Commercial radio	1
	Network Ten	TEN	Commercial TV	1
	Seven West Media	Seven	Commercial TV	1
	Nine Network	Nine	Commercial TV	1
	APN News & Media	Queensland Times	Associated newspaper	1
Kingaroy RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	CFM Southern Cross TEN	Commercial radio	2
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Macquarie Radio Network	1071 AM	Commercial radio	1

Longreach RA1	Controller	Media asset	Media type	Platforms
3* voices				
	Resonate Broadcasting	4LG West FM	Commercial radio	1
	SC Austereo	CDT (JV)# Southern Cross Television	Commercial TV	1
	Imparja	CDT (JV)# Imparja Television	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Mackay RA1	Controller	Media asset	Media type	Platforms
5 voices				
	Grant Broadcasters	ZINC 101.9 FM 4MK AM	Commercial radio	1
	SC Austereo	SEA FM HOT FM Southern Cross TEN	Commercial radio	2
	Seven West Media	Seven	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	APN News & Media	The Daily Mercury	Associated newspaper	1

Maryborough (QLD) RA1	Controller	Media asset	Media type	Platforms
5 voices				
	SC Austereo	SEA FM MIX FM Southern Cross TEN	Commercial radio	2
	Seven West Media	Seven	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Radio TAB	RadioTAB	Commercial radio	1
	APN News & Media	Fraser Coast Chronicle	Associated newspaper	1

Mt Isa RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	HOT FM Southern Cross TV CDT (JV)#	Commercial radio Commercial TV	2
	Imparja TV	Imparja TV CDT (JV)#	Commercial TV	1
	Macquarie Radio Network	4LM	Commercial radio	1
	Fairfax Media	North West Star	Associated newspaper	1

BSA section 38B digital only licence

Nambour RA1	Controller	Media asset	Media type	Platforms
6 voices				
	Sunshine Coast Broadcasters	SEA FM MIX FM	Commercial radio	1
	Grant Broadcasters	Hot 91	Commercial radio	1
	SC Austereo	Southern Cross TEN	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	Seven West Media	Seven QLD	Commercial TV	1
	APN News & Media	Sunshine Coast Daily	Associated newspaper	1

Remote Commercial Radio Service North East Zone RA1	Controller	Media asset	Media type	Platforms
1 voice				
	Rebel Radio Network	Rebel FM Breeze FM	Commercial radio	1

Rockhampton RA1	Controller	Media asset	Media type	Platforms
5 voices				
	SC Austereo	SEA FM HOT FM Southern Cross TEN	Commercial radio	2
	Grant Broadcasters	ZINC 927 AM 4RO	Commercial radio	1
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	APN News & Media	Morning Bulletin The Observer	Associated newspaper	1

Roma RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	CDT (JV)# Southern Cross Television HOT FM	Commercial TV	2
	Imparja	CDT (JV)# Imparja TV	Commercial radio Commercial TV	1
	Macquarie Radio Network	4ZR	Commercial radio	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Toowoomba / Warwick RA1	Controller	Media asset	Media type	Platforms
5 voices				
	SC Austereo	CFM 4GR Southern Cross TEN	Commercial radio	2
	Super Radio Network	4AK 4WK	Commercial radio	1
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	APN News & Media	The Chronicle	Associated newspaper	1

Townsville RA1	Controller	Media asset	Media type	Platforms
5 voices				
	SC Austereo	HOT FM 4TO FM Southern Cross TEN	Commercial radio	2
	Grant Broadcasters	106.3 FM ZINC FM 100.7	Commercial radio	1
	Seven West Media	Seven QLD	Commercial TV	1
	WIN Corporation	WIN Television	Commercial TV	1
	News Limited	Townsville Bulletin	Associated newspaper	1

REGIONAL SOUTH AUSTRALIA

Mt Gambier RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	STAR FM 5SE	Commercial radio	1
	WIN Corporation	WIN Television WIN Television(Seven)# WIN TEN#	Commercial TV	1
	The Border Watch	The Border Watch	Associated newspaper	1

* Below minimum voices threshold; # BSA section 38A and 38B licences

Murray Bridge RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Grant Broadcasters	Power FM 5MU	Commercial radio	1
	Nine Network	Nine	Commercial TV	1
	Seven West Media	Seven	Commercial TV	1
	Network Ten	TEN	Commercial TV	1

Port Lincoln RA1	Controller	Media asset	Media type	Platforms
2 voices*				
	Grant Broadcasters	Magic FM 89.9 5CC	Commercial radio	1
	SC Austereo	Southern Cross Television Nine# Southern Cross TEN#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38A and 38B licences

Riverland RA1	Controller	Media asset	Media type	Platforms
2 voices*				
	Grant Broadcasters	Magic FM 93.1 5RM	Commercial radio	1
	WIN Corporation	WIN Television WIN Television (Seven)# WIN TEN #	Commercial TV	1

* Below minimum voices threshold; # BSA section 38A and 38B licences

Spencer Gulf North RA1	Controller	Media asset	Media type	Platforms
2 voices*				
	Grant Broadcasters	Magic FM 105.9 5AU	Commercial radio	1
	SC Austereo	Southern Cross Television Nine# Southern Cross TEN#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38A and 38B licences

REGIONAL WESTERN AUSTRALIA

Albany RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television West Digital Television (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network West Digital Television (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Bridgetown RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television West Digital Television (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network West Digital Television (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Bunbury RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television West Digital Television (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network West Digital Television (JV)#	Commercial TV	1
	Seven West Media	Spirit	Commercial radio	1

BSA section 38B digital only licence

Carnarvon RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Hits Radio	Hot Hits 99.7 Classic Hits 666	Commercial radio	1
	WIN Corporation	WIN Television West Digital Television (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network West Digital Television (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Esperance RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television West Digital Television (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network West Digital Television (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Geraldton RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Seven West Media	WA FM Spirit	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Kalgoorlie RA1	Controller	Media asset	Media type	Platforms
4 voices				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1
	Seven West Media	Kalgoorlie Miner	Associated newspaper	1

BSA section 38B digital only licence

Karratha RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Seven West Media	WA FM Spirit	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Katanning RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Mandurah RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	West Coast Radio	97.3 Coast FM 6MM	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Merredin RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Narrogin RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Northam RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	SC Austereo	HOT FM RADIO WEST	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Port Hedland RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Seven West Media	WA fm Spirit	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Remote Commercial Radio Service Western Zone RA1 3 voices*	Controller	Media asset	Media type	Platforms
	Seven West Media	WA fm Spirit	Commercial radio	1
	WIN Corporation	WIN Television Ten West (JV)#	Commercial TV	1
	Prime Media Group	Golden West Network Ten West (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

TASMANIA

Burnie RA1 3 voices*	Controller	Media asset	Media type	Platforms
	Grant Broadcasters	Sea FM 7BU	Commercial radio	1
	WIN Corporation	WIN Television Ten Tasmania (JV)#	Commercial TV	1
	SC Austereo	Southern Cross Television Ten Tasmania (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Devonport RA1 4 voices	Controller	Media asset	Media type	Platforms
	Grant Broadcasters	Sea FM 7BU	Commercial radio	1
	WIN Corporation	WIN Television Ten Tasmania (JV)#	Commercial TV	1
	SC Austereo	Southern Cross Television Ten Tasmania (JV)#	Commercial TV	1
	Fairfax Media	The Advocate	Associated newspaper	1

BSA section 38B digital only licence

Hobart RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Grant Broadcasters	HO-FM	Commercial radio	1
	WIN Corporation	WIN Television	Commercial TV	1
		Ten Tasmania (JV)#		
	SC Austereo	SEA FM	Commercial radio	2
		HEART FM		
		Southern Cross	Commercial TV	
		Television		
	News Limited	Ten Tasmania (JV)#		
		The Mercury	Associated newspaper	1

BSA section 38B digital only licence

Launceston RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Grant Broadcasters	Chilli FM	Commercial radio	1
		7LAA		
	WIN Corporation	WIN Television	Commercial TV	1
		Ten Tasmania (JV)#		
	SC Austereo	Southern Cross	Commercial TV	1
		Television		
		Ten Tasmania (JV)#		
	Fairfax Media	The Examiner	Associated newspaper	1

BSA section 38B digital only licence

Queenstown RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Grant Broadcasters	7AUS	Commercial radio	1
		7XS		
	WIN Corporation	WIN Television	Commercial TV	1
		Ten Tasmania (JV)#		
	SC Austereo	Southern Cross	Commercial TV	1
		Television		
		Ten Tasmania (JV)#		

* Below minimum voices threshold; # BSA section 38B digital only licence

Scottsdale RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Grant Broadcasters	SEA FM	Commercial radio	1
		7SD		
	WIN Corporation	WIN Television	Commercial TV	1
		Ten Tasmania (JV)#		
	SC Austereo	Southern Cross	Commercial TV	1
		Television		
		Ten Tasmania (JV)#		

* Below minimum voices threshold; # BSA section 38B digital only licence

NORTHERN TERRITORY

Alice Springs RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Alice Springs Commercial Broadcasters	SUN-FM 8HA	Commercial radio	1
	Imparja	Imparja Television CDT (JV)#	Commercial TV	1
	SC Austereo	Southern Cross Television CDT (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence

Darwin RA1	Controller	Media asset	Media type	Platforms
4 voices				
	Grant Broadcasters	HOT 100 MIX FM	Commercial radio	1
	Nine Network	Nine Darwin Digital (JV)#	Commercial TV	1
	SC Austereo	Southern Cross Television Darwin Digital (JV)#	Commercial TV	1
	News Limited	Northern Territory News	Associated newspaper	1

BSA section 38B digital only licence

Remote Commercial Radio Service Central Zone RA1	Controller	Media asset	Media type	Platforms
3 voices*				
	Flow FM	Flow FM	Commercial radio	1
	Imparja	Imparja Television CDT (JV)#	Commercial TV	1
	SC Austereo	Southern Cross Television CDT (JV)#	Commercial TV	1

* Below minimum voices threshold; # BSA section 38B digital only licence