

ACMA Proposal to remake the Radiocommunications (Allocation of Transmitter Licences – High Power Open Narrowcasting Licences) Determination 2014

Commercial Radio & Audio Submission July 2024

Commercial Radio & Audio (**CRA**) is the industry body representing the interests of the entire commercial radio and audio industry throughout Australia. CRA has 258 member stations, of which 219 are in regional and remote areas.

As high power open narrowcasting (**HPON**) licences operate in the AM and FM radio broadcasting spectrum, the impact of the continued operation of HPONs on commercial broadcasting operations is of interest to commercial radio licensees. Accordingly, CRA appreciates the opportunity to make a submission to the ACMA in relation to its *Proposal to remake the Radiocommunications (Allocation of Transmitter Licences – High Power Open Narrowcasting Licences) Determination 2014* Consultation Paper.

In an environment where existing commercial radio broadcasters are already trying to maintain their markets, the proliferation of services that erode the commercial radio broadcasters' market is of concern to the industry. To ensure 'pseudo-commercial' services aren't operating in this market, CRA submits that HPONs should be required to submit specific compliance reporting to the ACMA, with the ACMA responsible for implementing a compliance monitoring process.

Challenges faced by the commercial radio industry

Commercial radio plays a vital role in Australian culture, informing, entertaining and giving communities a voice, particularly in regional and remote areas.

Commercial radio depends on spectrum availability to provide its services to Australians. Commercial radio broadcasters pay significant licence fees for the use of their spectrum and rely solely on advertising revenue to maintain commercial viability.

Significant challenges are currently being faced by the commercial radio industry, particularly in regional areas, due to the increased dominance of digital platforms; increased competition for listeners with streaming services; and changing consumer behaviours – with advertising revenue impacted as a result.

In this environment, where existing commercial radio broadcasters are already trying to maintain their markets, the proliferation of services that erode and fragment the commercial radio broadcasters' markets is of concern to the industry.

Compliance with licence conditions

HPON service providers are no longer required to provide the ACMA a statement explaining how the reception of their service is limited in a way described in paragraph 18(1)(a) of the *Broadcasting Services Act 1992 (BSA)*. Paragraph 18(1)(a) of the BSA provides that open narrowcasting services are services whose reception is limited:

- by being targeted to special interest groups; or
- by being intended only for limited locations; or
- by being provided during a limited period or to cover a special event; or
- because they provide programs of limited appeal; or

- for some other reason.

Given this, the onus is on commercial radio broadcasters to monitor all open narrowcasting services to ensure that they are complying with the restrictions under the BSA. This imposes an unnecessary burden on the industry. As the commercial radio industry cannot monitor all open narrowcast services to ensure compliance, there may be 'pseudo-commercial' services operating in the market, to the disadvantage of commercial radio broadcasters.

As with all users of public spectrum, CRA submits that HPONs should be governed by similar allocation processes, whereby HPON service providers are required to submit specific compliance reporting to the ACMA; and the ACMA is responsible for implementing a compliance monitoring process and a process to cancel the licence of an HPON service provider proven to have operated in contravention of the licence conditions.

CRA would welcome the opportunity to discuss this further with the ACMA.

July 2024