



**A REVIEW OF THE VIABILITY OF CREATING AN INDIGENOUS
BROADCASTING SERVICE AND THE REGULATORY ARRANGMENTS
THAT SHOULD APPLY TO THE DIGITAL TRANSMISSION OF SUCH A
SERVICE USING SPECTRUM IN THE BROADCASTING BANDS**

**SUBMISSION TO THE DEPARTMENT OF COMMUNICATIONS
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EXECUTIVE SUMMARY

Access to minimum levels of Australian content by Australian audiences is a fundamental tenet of our television system.

Whatever the government ultimately determines in relation to new television services, the new system as a whole, and its component parts, must deliver to Australian audiences adequate levels of choice, quantity and diversity of Australian content. At minimum, these levels must be at least equivalent and in proportion to those which audiences currently enjoy on free-to-air television.

The AFC notes the low levels of Indigenous film and television programming currently appearing on Australian screens. On the ABC a total of 40 hours of Indigenous programming was screened in 2002-2003, 16 hours of which was first release, 24 hours repeat. SBS screened over 40 hours of Indigenous content during that year. SBSI commissioned a total of 17.5 hours of indigenous programs in 2002-03 with 6.5 hours transmitted. Information relating to Indigenous programming screened on commercial networks and subscription television is unavailable however it is reasonable to assume that levels of Indigenous programming are limited.

Employment figures from ABS data demonstrate that Indigenous Australians represented 0.7 per cent of employees in the Audiovisual industries in 2001 (0.6 per cent in the television services industries) compared to an average across all industries of 1.2 per cent.

The AFC supports any moves to increase levels of Indigenous programming either through an Indigenous Television Broadcasting Service or an Indigenous Television Production Fund. If an Indigenous television broadcasting service is introduced as a third national broadcaster, the production and broadcast of Australian content must be central to its charter. The new service must therefore be adequately funded to support the same minimum levels of Australian content as the free-to-air networks.

The AFC supports the National Indigenous Television Committee (NITV) submission and proposal for the establishment of a national Indigenous television service to be owned and operated by Indigenous Australians with programming content created by and for Indigenous Australians.

The production and broadcast of Australian content must be central to its charter. The new service must therefore be adequately funded to support the same minimum levels of Australian content as the free-to-air networks and must be funded to support amounts of adult and children's drama and documentary programming, equal to those currently mandated on free to air television.

In the event that the government determines not to support an Indigenous national broadcaster, a significant Indigenous television content production fund should be considered.

1. INTRODUCTION

The Australian Film Commission (AFC) is a statutory authority which aims to enrich Australia's cultural identity by fostering an internationally competitive audiovisual industry, developing and preserving a national collection of sound and moving images, and making Australia's audiovisual heritage available to all Australians.

The AFC is Australia's premier research and policy body for Australia's audiovisual industries.

The AFC has recently made a submission to the Department of Communications, Information and the Arts' (DCITAs') reviews of simulcasting, multi-channeling, and the potential provision of new commercial television services. Its central submission was that whatever the government ultimately determines in relation to new television services, the new system as a whole, and its component parts, must deliver to Australian audiences adequate levels of choice, quantity and diversity of Australian content. At a minimum, these levels must be at least equivalent to those which audiences currently enjoy on free-to-air television, with equivalent increases in the quantum of hours and quantum of expenditure in proportion to any increases in new services.

It is this principle that will guide the AFC's views in every submission during the Digital Television Review process including the current submission to the review into the viability of creating an Indigenous television broadcasting service.

Australian audiences presently have access to minimum levels of Australian content on the existing range of television services as a direct result of government regulatory and funding intervention. All proposed changes to Australia's television system especially those which will increase the range of broadcasting services, will require a continued commitment and articulated strategy from government. Regulatory and funding commitments must ensure the maintenance of minimum levels of Australian content on existing and on new services.

2. AN INDIGENOUS BROADCASTING SERVICE

Aboriginal and Torres Strait Islander cultures are integral to Australia's national identity. The AFC has assisted Indigenous Australians to participate in the film, television and interactive media production industry since 1993. The Indigenous Branch (now called the Indigenous Unit) was set up in 1993 in recognition of the need for self-representation by Indigenous Australians in the film and television industry. The Unit has in the past 11 years provided Indigenous filmmakers with the opportunity to record and tell their own stories, and to participate in the wider industry, while in turn giving them control over their cultural heritage and the way it is portrayed.

While the Indigenous film production industry is still in its infancy, the Indigenous Unit has aided in fostering a vibrant and growing Indigenous filmmaking community. The Indigenous Unit has now financed six highly successful series of Indigenous drama programs in partnership with SBS Independent, the ABC and state film agencies with significant critical success and manages the National Indigenous Documentary Fund, also into its sixth series, with financial support from ATSIC, the AFC, SBS and ABC and the FFC.

Importantly, the Indigenous Unit contributes to the development of AFC policy and takes a leading role within the industry on issues relevant to Indigenous filmmaking. It provides an industry focus for uniting screen organisations across Australia to promote Indigenous filmmakers and screen culture, and acts as a conduit for the Indigenous industry to have a voice in the wider film industry. The unit also plays a key role in Indigenous film policy development, as well as providing significant input to the AFC's work in developing industry policy in Australia. More relevant to this current review, the Indigenous Unit has worked closely with the National Indigenous Television Working Group in developing its proposal for a National Indigenous Broadcasting Service.

The AFC welcomes the current review into the possibility of creating an Indigenous television broadcasting service and supports any moves to increase levels of Indigenous programming whether this be in the form of a separate Indigenous broadcasting service, across existing networks or through the establishment of an Indigenous Television Production Fund or a combination of these approaches.

Current levels of Indigenous content

There are low levels of Indigenous film and television programming currently appearing on Australian screens.

On the ABC a total of 40 hours of Indigenous programming was screened in 2002-2003 (26 hours in 2001/02 and 10 hours in 2000/01), 16 hours of which was first release, 24 hours repeat. This represents 0.9 per cent of hours of total Australian programming screened on the ABC or 0.6 per cent of total first release Australian programming screened on the ABC. In prime time (6pm to midnight), only 6 hours of programming (all first release) was screened – 0.5 per cent of total Australian programming screened on the ABC during prime time. Between 6am to midnight this figure increases to 30 hours of Indigenous programming (15 hours each of first release and repeat), or 0.9 per cent of total Australian programming screened in this period. The ABC also produces new media content through its ABC online website. Indigenous content made up 0.3 per cent of pages in 2002-03.

SBS reports in its 2002-03 Annual Report that it screened over 40 hours of Indigenous content during that year. SBSI commissioned a total of 17.5 hours of indigenous programs in 2002-03 with 6.5 hours transmitted

Information relating to Indigenous programming screened on commercial networks and subscription television is not available. While the AFC understands that commercial and subscription television has screened some Indigenous feature and short films, its level of indigenous programming on commercial free to air and subscription television are limited.

The AFC notes that there are currently no Indigenous languages heard on the national broadcasters or major commercial networks.

A number of studies point to the low numbers of Indigenous Australians portrayed in Australian television drama. The most recent study, *Cultural Diversity in Australian Television Drama*, which surveyed actors appearing in main and guest roles in 13 television drama productions between May and August 2001, found that Indigenous actors are under represented with only 1.1% of actors in the survey. Only one out of 136 actors in guest or supporting roles were Indigenous. This is a downturn on the 1999 AFC survey *Broadcast in Colour*, which found 3 per cent of actors in sustaining role to be Indigenous.

The AFC further notes that Indigenous representation within the audiovisual industry remains low compared to other industries. Employment figures from ABS data demonstrate that Indigenous Australians represented 0.7 per cent of employees in the Audiovisual industries in 2001 (0.6 per cent in the television services industries) compared to an average across all industries of 1.2 per cent.

Table 1: Proportions of employees from various countries and regions, 1991–2001

Film/video Production	Australia (Indigenous)
1991	0.5%
1996	0.5%
2001	0.7%
Film/video distribution	
1991	n.a.
1996	0.5%
2001	0.6%
Motion Picture exhibition	
1991	n.a.
1996	0.2%
2001	0.7%
Television Services	
1991	0.6%
1996	0.8%
2001	0.6%
Video Hire outlets	
1996	0.6%
2001	0.6%
1996	0.6%
All Audiovisual industries	
1991	0.4%
1996	0.6%
2001	0.7%

All industries	
1991	0.8%
1996	1.0%
2001	1.2%

NITV proposal

As previously noted, the AFC Indigenous Unit has been working closely with the National Indigenous Television Working Group in developing its proposal for a National Indigenous Broadcasting Service.

The AFC understands that NITV has made its submission (and accompanying business plan) to the DCITA review proposing that the Commonwealth Government immediately provide funding for the establishment of a national Indigenous television service to be owned and operated by Indigenous Australians with programming content created by and for Indigenous Australians.

The AFC supports the principle of establishing an Indigenous Broadcasting Service and the submission made by NITV. Further, the AFC supports the important principle of empowering Indigenous people by providing them with access to television broadcasting, which will allow permanent and ongoing self-expression and self-representation. An Indigenous Broadcasting Service would also work to decrease the extinction rate for the 90 surviving Indigenous languages out of 250 that existed over 215 years ago..

Models for Indigenous Broadcasters can be found throughout the world with the Maori Television Service in New Zealand, the Aboriginal Peoples Television Network (APTN) in Canada, Euskal Irrati Telebista in Spain, Teilifís na Gaeilge (TG4) in Ireland and Sianel Pedwar Cymru (S4C) in Wales: see Appendix A for more detail of these.

If an Indigenous television broadcasting service is introduced as a third national broadcaster, the production and broadcast of Australian content must be central to its charter. The new service must therefore be adequately funded to support the same minimum levels of Australian content as the free-to-air networks.

The current programming schedule of NITV, contained in their business plan, makes a commitment to a one hour children's morning program, a one hour afternoon program for youth; a half hour documentary slot per day for both national and internationally acquired programming, and three hours per week of international drama acquisitions with some local acquisitions.

The AFC believes that an Indigenous Broadcasting Service must be funded to support amounts of adult and children's drama and documentary programming, equal to those currently mandated on free to air television.

The NITV proposal is seeking the allocation of enough spectrum to broadcast both an analogue and digital signal in order to allow a national service. This

spectrum, NITV argues would be drawn from the spectrum currently set aside for a possible fourth commercial channel. It is the AFC's understanding that available spectrum is limited and spectrum currently being used for community broadcasting in some cities and spectrum set aside for datacasting and a fourth commercial network is all that is available.

The AFC believes that whatever the government ultimately determines in relation to the use of spectrum for new services, any new Australian broadcasting environment must deliver to Australian audiences adequate levels of choice, quantity and diversity of Australian content. At minimum, these levels must be at least equivalent and in proportion to those which audiences currently enjoy on free-to-air television.

In Australia, over the last 3 years (2000/01 to 2002/03) total annual expenses for SBS have been around \$160 million. This includes supplier costs ranging from around \$90-100 million, of which \$9-10 million was for program purchases. Other supplier costs include production services, broadcasting facilities, translators and transmitters and amortisation of programs. During the equivalent period, total annual expenses for the much larger and broader based ABC have ranged from around \$800-900 million. Supplier costs have ranged from around \$300-370 million of this. \$7-8 million of the supplier costs was for program rights. Other supplier costs included merchandising and promotion, transmission services, artist fees and communications. Appendix A provides a brief overview of some of the levels of public funding required by national Indigenous broadcasters internationally.

In the event that the government determines not to support an Indigenous national broadcaster, a significant Indigenous television content production fund should be considered. This could take the form of either a separate Indigenous television commissioning service similar in form to the FFC or be a part of a larger television production fund – mooted by the AFC in its submission to the two previous digital television reviews issues paper – with its own discrete and specified allocation for production of Indigenous content and its own Indigenous decision-making processes.

Appendix A: International Examples of Indigenous Broadcasting Services

New Zealand: Maori Television Service

In New Zealand, the Maori Television Service began broadcasting in late March earlier this year. It is currently screening up to seven and a half hours a day, running from 2:30/3:00pm to 10/11pm daily. The New Zealand Government has committed NZ\$11.53 million (AUD\$10.8 million) (excl GST) in annual funding to the statutory corporation to cover the operating and funding capital costs of Maori Television for the year to 30 June 2004. Te Mangai Paho (the Maori electoral college) provides annual, direct funding for in-house programme production, acquisition of international indigenous programmes and subtitling and reversioning of programmes. The total provided for the year to 30 June 2004 is NZ\$14.5 million (AUD\$13.6 million)(excl GST). Indirect funding from Te Mangai Paho is delivered to Maori Television in the form of programmes that have been produced by independent producers. There is no set figure however, all production proposals for Maori programming for all broadcasters are considered by them on a contestable basis from a pool of about NZ\$19m (AUD\$20.3). It is assumed a large percentage of this would be allocated to programmes for Maori TV.

The legislation set out that the channel should:

- Be a high quality, cost effective television provider which informs, educates and entertains
- Broadcast mainly in te reo Maori
- Have regard to the needs of children participating in immersion education and all people learning Maori

Canada: Aboriginal Peoples Television Network (APTN)

In Canada the Aboriginal Peoples Television Network (APTN) became the first national Aboriginal Network in the world when it launched in September 1999. Catering to the First Nations, Inuit and Métis people, APTN and is a cable, direct-to-home (DTH) and wireless service provided as a part of the basic package of subscription television, thereby allowing it to be available to over 9 million households. APTN is funded by a combination of subscriber fees (CA\$15.9m in 2003), advertising (CA\$1m in 2003) and contributions from Government including the Department of Canadian Heritage (CA\$2.1m), and the Canadian Satellite Communications Corporation (\$CA\$1.5m in 2003).

The Canadian Radio-Telecommunications Commission (CRTC) provided APTN with a Class 1a licence meaning that for the privilege of being a part of the basic package available to all subscribers, the CRTC has imposed a number of regulations – these include;

- A commitment to broadcast programming that "will reflect an appropriate balance among the needs of all Aboriginal people, including First Nations, Inuit and Metis" and is relevant to all regions of

the country. The schedule will include 30 hours of programming in Aboriginal languages each week, with up to 15 different Aboriginal languages being used.

- Commitments to broadcast Canadian programming in under-represented categories: category 7 (drama), category 8 (music and dance) and category 9 (variety). Specifically, it will broadcast 4 hours of such programming each week, during the evening broadcast period, for the first three years of operation. In each subsequent year of the licence term, APTN will broadcast a minimum of 5 hours of such programming each week, of which a minimum of one hour each week will be original programming.
- Consistent with the applicant's commitments, the Commission expects APTN to spend the following amounts on Canadian programming in under-represented categories to be broadcast during the evening broadcast period:
 - CA\$1 million during the first year of operation;
 - CA\$1.5 million in the second and third years of operation; and
 - CA\$1.65 million each year thereafter.
- APTN will allocate all of its program development funds to programs in the under-represented categories. Specifically, the applicant will spend at least CA\$55,000 in year one of operation, CA\$60,000 in year two, and CA\$35,000 in each remaining year of the licence term on the development of programs in the under-represented categories.

APTN is aimed at both Aboriginal and non-Aboriginal audiences with programming to interest all viewers: children's animation, youth shows, cultural and traditional programming, music, drama, dance, news and current affairs, as well as live coverage of special events and interactive programming.

Spain: Euskal Irrati Telebista

The Basque parliament unanimously approved the creation of Euskal Irrati Telebista in 1982, broadcasting in the Basque language. In 1987 a second channel broadcasting in Spanish was established.

The two channels transmit about 12.000 hours per year (6000 hours per channel) from which about 70% is in-house production (co-productions and commissioned programmes included) and the station has a staff of 580 employees.

The legislation which established the Basque television broadcaster sets two main objectives: to establish ETB as a means of communication and to contribute to the cultural and linguistic normalisation of the country.

Euskal Irrati Telebista is financed by advertising and Basque government subsidies. While figures on funding have been in dispute, the European Union

found that Euskal Telebista was provided with €296 million (Ptas59,439 million) between 1989 and 1996¹

The Basque language is the minority in Euskadi (the Basque region) and nowadays 25% of the population can speak and understand it perfectly, this % being much higher among children (60%).

Ireland: Teilifís na Gaeilge (TG4)

Teilifís na Gaeilge (TG4) is the Irish language television channel established under the statutory and corporate aegis of Radió Telefís Éireann (RTÉ), the Irish national broadcaster and is a statutory authority under the Broadcasting Act 2001. Established in 1996, the channel broadcasts over seven hours of Irish language programming supported by a wide range of material in other languages.

TG4 is funded by the Irish Exchequer. In 2003 the annual amount of current funding it received from the Exchequer was €21.065m. The programme provision it receives from RTÉ each year, at no cost to TG4, has been valued at €7.5m by RTÉ. TG4 invests over €15m annually in original Irish programming from the independent production sector in Ireland. TG4 receives a programme supply of 365 hours of programming annually from RTÉ, at no cost to TG4. The channel provides a daily programme schedule in Irish for children and young people.

The channel's signal covers Ireland. It is receivable directly by aerial, on cable and via sky satellite (in the Republic). The 1998 Good Friday Agreement undertakes to try to extend the TG4 signal throughout Northern Ireland.

Wales: Sianel Pedwar Cymru (S4C)

Sianel Pedwar Cymru (S4C) was established by the 1980/81 Broadcasting Acts and first went on air in November 1982.

Since its establishment, all Welsh language TV programmes, have been transmitted on S4C to create a comprehensive Welsh medium service. S4C has a statutory obligation to broadcast a majority of Welsh language output during primetime (1800 - 2200). The schedule includes drama, entertainment, sports, music, news and current affairs, games and quizzes, youth and children's programming. S4C is a commissioning broadcaster, rather than a programme producer.

S4C broadcasts both an analogue and digital service.

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¹ European Union, *Commission enjoins the Spanish government to submit information on the existing nature of the financing scheme of the public broadcaster RTVE and of the Regional public channels*
<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/99/82&format=HTML&aged=1&language=EN&guiLanguage=en>

The service S4C has broadcast on analogue since 1982 consists of an average of 32 hours a week in Welsh. Ten of these hours are funded through the license fee by the BBC, thus complying with its obligations under the 1990 Broadcasting Act. The rest of S4C's Welsh language output is commissioned from independent producers, including local ITC franchise holder, HTV. The schedule on S4C's analogue service is completed by Channel 4's English language programmes.

S4C Digital was launched in November 1998. S4C Digital provides over 80 hours a week of Welsh language programming. The service does not carry any part of Channel 4's output.

All Welsh language output shown on analogue is also shown simultaneously on S4C Digital. The rest of the schedule comprises new programming, extended coverage of certain cultural and sporting events, alternative viewing opportunities and archive material. Between 9am and 12pm each morning (Monday-Friday), The Wales Digital College is broadcast on S4C Digital.

S4C launched a second digital channel in 1999, which provides live coverage of the work of the National Assembly for Wales.

S4C is funded by an annual fixed budget from the Treasury. The amount received is the prescribed amount as increased by the appropriate percentage. In 2003 the sum received was IR£83.634m (IR£81.468m, IR£78.2 million in 2000). This income was used to finance the cost of commissioning and acquiring Welsh language programmes, the transmission costs of S4C, expenditure on fixed assets and overheads. The balance of this income, after the cost of programme transmission and operational and administrative expenses, therefore represents the principal means of financing the net assets of S4C and is treated as deferred income in the Public Service Fund. The costs of programmes transmitted included IR£63.577m in 2003 (IR£65.643m in 2002) in respect of the cost of programmes commissioned or acquired from programme suppliers. The balance comprised the direct costs of programme commissioning and presentation, the operational costs of the teletext and subtitling service of S4C and other related costs of the programme service such as marketing costs and audience research. Other direct costs include third party co-production funding advances, profit participation due to third parties in respect of programme sales, agency commission and playout costs relating to advertisements and carriage costs relating to S4C2 on the digital, terrestrial and satellite platforms.

Since January 1 1993, the channel has been allowed to sell own advertising air time and ploughs the net revenue back into the service. General Fund turnover was generated by sales of airtime, rights in television programmes, sponsorship, merchandising, publishing and leasing of digital multiplex capacity. It totalled £13.348m in 2003 (2002 - £18.215m).

The total hours of programmes transmitted by S4C during the year amounted to 10,929 (2002 – 10,572), representing an average per week of 210.2 hours

(2002 – 203.3 hours). SC4 commissioned 1604 hours of original Welsh programming in 2003 (1710 in 2002). It acquired 162 hours of original Welsh programming in 2003 (102 in 2002). This included 61 commissioned hours of drama in 2003 (77 in 2002), 236 hours of youth and children's programming (258 in 2002)