Australian Community Radio: Funding Challenges and Dilemmas

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Abstract
The largest pressure faced by community radio stations is financial. Stations constantly face the reality of how to ensure an adequate operating income in an increasingly competitive mediascape. Van Vuuren (2006c) argues that the extent of the contribution of community media to media democracy in Australia depends largely on how the sector manages commercial pressures. There is a need to ensure more financial stability to allow stations to focus on their primary community-orientated and participatory goals. The World Association of Community Radio Broadcasters (AMARC 2007: 51) argues that if financial contributors are available, whether public or private, the sponsors will want to know they are receiving value for any investment they make in the sector. This emphasis on "value for money" is a good reason to evaluate and demonstrate the efficacy and effectiveness of Australian community radio stations. The value of Australian community radio, like citizens media (Rodríguez 2001: 163), centres on what are sometimes quite subtle objectives. These can be difficult to evaluate. For example, according to the Australian Communications and Media Authority (ACMA and CBAA 2008a: 1), the first guiding principle of community broadcasting states: 'We will work to promote harmony and diversity and contribute to an inclusive, cohesive and culturally-diverse Australian community.' What type of evaluative benchmark can easily distinguish whether harmony and diversity in the community, for example, has been promoted or not? This paper discusses the main funding challenges and dilemmas faced by Australian community broadcasters in light of demonstrating the value of the sector.

Introduction
The supporters of community radio see the sector as a vital part of the fabric of Australian media. Community radio supporters argue that it should receive regular funding for the valuable social and cultural contributions it makes to society. However, the detractors suggest that the sector already receives special privileges over commercial broadcasters who pay substantial sums for their frequency allocation and licences. From this standpoint, it would be easy to question why the community sector should exist at all. Snape and Simson (2000: 275) state:

> The major cost to the general community of community broadcasting is the opportunity cost of the spectrum they use. Community broadcasters receive 'free' access to scarce radio frequency spectrum and thus exclude other potential broadcasters.

Community radio receives free access to frequencies from the government. Nevertheless, this comes at an operational cost in terms of the service it is mandated to provide (Forde, Meadows, and Foxwell 2002a: 98). The *Broadcasting Services Act 1992* lists the rules of operation for community broadcasters (ACMA 2009, Forde, Meadows, and Foxwell 2002a: 10), and balances those special privileges with strict protocols for the sector. Part of the sector's brief is to represent local geographic communities or communities of interest that are not already adequately represented by mainstream media (Order 2013: 149). Unlike commercial media, their mandate is democratic representation and access to the airwaves rather than revenue generation. The *Broadcasting Services Act 1992* requires that the:

> Licensee must continue to represent the community interested it represented when licensed; and [there is] the expectation that community stations will

> encourage their communities to participate in station operations, and in the selection and provision of programs (Thompson 1999: 23).

Community stations tend to cater to niche audiences, namely marginalised or under-represented minority groups (Phillips and Lindgren 2006: 6, ACMA and CBAA 2008a). Such groups can include, for example: programming for specialist music, Indigenous communities, gay and lesbian groups, alternative current affairs, gender-foci, religious interest or even trade unions. For many, the representation of such groups is the whole point of community radio: a local motivation driven by a larger desire to increase the democratisation of the media (Barlow 2002, Barlow 1988, Griffith 1975, Hochheimer 1993, Forde, Foxwell, and Meadows 2009: 15, Price-Davies and Tacchi 2001: 16). The Australian community radio sector emphasised representation and participation from the start (Barlow 2002: 142). As will be discussed further, these democratic values of representation and participation of the wider community in the production of radio are often at odds with the financial realities of keeping a station afloat. Community radio is required to operate on a not-for-profit basis and this fundamental requirement affects the whole operation of a station.

According to the Community Broadcasting Foundation (CBF 2010),[1] the sector in Australia is largely self-funded, and subsequently 'can be described as economically impoverished' (Price-Davies and Tacchi 2001: 16). For the day-to-day operations, most community stations operate on a shoestring budget (McCarthy 2008). As noted by Forde, Meadows and Foxwell (2002a: 96), 'Concerns about under-funding and under-resourcing are generally acknowledged and frequently bemoaned throughout the sector.' Forde, Meadows and Foxwell (2002a) cite CBF funding, showing an increase in the number of stations from 56 in 1985 to 251 in 2003, and a decrease in the amount of core funding available per station from $22,280 in 1985, to $14,300 in 2003.[2] More stations and less funding only increases competition for the limited grant money that is available (ibid: 96-97).

In 2015 there were over 360 community radio licensees and over 80 community television licensees located around Australia (CBF 2015). According to the CBF, total sector funding has managed to catch up with the sector growth. 2009 saw an approximate $4 million increase in Federal funding and subsequent parity with growth (CBF 2012). More worrying, though, at the station level, is that the CBF reports they only contribute to approximately 8.5 percent of each station's total reported revenue (ibid). Therefore the level of under-funding at this operational level has not changed.

A report by Community Broadcasting Online (CBonline 2012), in *Survey of the Community Sector: Community Broadcasting Station Census*, shows some startling financial data about the sector. Sponsorship is the largest source of income for the sector, accounting for 39 percent of revenue. In the 2009/2010 period, sponsorship dropped by $2.5 million compared to the 2007/2008 period. Fortunately some of this was offset to some degree by a slight rise in the number of station subscriptions to (16 percent) of revenue. Despite the increase in station subscriptions,

[1] The Community Broadcasting Foundation is an independent non-profit funding agency that seeks, secures and distributes funding to support the development, creativity and sustainability of community broadcasting in Australia. The CBF is supported by the Australian Government through the Department of Communications http://www.cbf.com.au/about/.

[2] These figures have not been adjusted to reflect inflation. The Reserve Bank of Australia inflation calculator, "calculates the change in cost of purchasing a representative 'basket of goods and services' over a period of time." From 1985 to 2003, the total change in cost is 101.3 per cent. This means that the 2003 figures are worth substantially less (see http://www.rba.gov.au/calculator/annualDecimal.html).

there has been a substantial drop in sector income. Of more concern were the income figures for regional and rural stations. Regional stations lost $1.6 million (13 percent) in income and rural stations lost $1.5 million (13 percent) in income. The report (CBonline 2012) suggests that remote and rural stations are suffering more than others. As commented by CBOnline (ibid, 3), both regional and rural stations went into the following year with "less technology and online presence with which to engage communities and gather financial support than some of their metropolitan counterparts." This report stated that the first priority for all stations was achieving financial stability to stay in operation. Stations were forced to develop sponsorship income streams to support their spending on infrastructure. These priorities were top-ranked challenges for metropolitan, suburban, regional and rural stations.

Forde, Meadows and Foxwell (2002a: 98-99) describe the 'creep of commercialism' within the sector, where income is increasingly generated by fundraising and sponsorship. There is no doubt this is a continuing trend. Selling sponsorship can require a more commercial approach to programming, where sponsors want to know that their announcements are accompanied by slicker, more demographically targeted programmes. This creates a dilemma for the sector where the ideals of community participation may be sacrificed. Forde, Meadows and Foxwell (ibid) cite a Victorian station that suggested that one solution to this dilemma was organising the station schedule in two distinct programming blocks. The daytime programming was designed with a more professional or commercial approach, while the evening programming was handed to the volunteers. This ensured the station's financial wellbeing, while retaining some community access/participation. These are the kinds of compromises that community stations are finding necessary to stay viable. While such compromises may support fundraising, they impact the notion of value for a station, and impact negatively on community participation and community representation.

Where some of the data in this study is legacy-type information, the financial struggles of community broadcasters remain a constant. The creep of commercialism written about by Forde, Meadows and Foxwell (2002a: 98-99) in 2002, is seminal Australian commentary, but the creep is still present and continuing. This is sharply brought into a modern focus by the type and number of broadcasting code breaches by community radio that are investigated by the Australian Communications and Media Authority (ACMA 2016). According to their website there were 47 community radio investigations undertaken by ACMA from 2009-2015[3]. Of those, 25 were upheld as breaches and were related to advertisement, sponsorship or exceeding the allowed sponsorship time. Where more than half of the code breaches concern fundraising, it is indicative of a still fraught financial paradigm for community broadcasters.

The kinds of financial challenges and dilemmas faced by community broadcasters are explored in this paper by examining the primary sources of station revenue. The author acknowledges that not all sources are considered in detail here and are beyond the scope of the discussion. The main narrative explores the continuing push and pull of community broadcasting ethics and money.

Sponsorship

Forde, Meadows and Foxwell (2002a: 101) state in their national study that more than half of station managers spend a considerable portion of their time arranging sponsorship sales or fundraising. Also for the majority of paid staff, their work is in administration and sales rather than production or programming. The allocation of the majority of wages to administration

[3] 2010 records are missing from the site.

positions rather than programming or production positions demonstrates the importance placed on fundraising rather than content delivery or community engagement.

There is a five minute per hour limit on the amount of time a community station can allocate to broadcasting sponsorship messages (ACMA 2008b: 101).[4] This restricts the possible income stream from this source. Selling sponsorship in itself brings its own challenges for a community radio station, including taking staff away from valuable broadcasting and participation activities. Community radio stations cannot always accept all types of sponsorship. By their nature, community stations are often licensed to represent niche communities of interest and this has its consequences. Gordon (2009: 74) describes Live FM, a Christian station in Queensland, which felt it was unethical to accept sponsorship arrangements that supported alcohol or gambling. The primary reason for their reluctance was that the station wanted to promote family values, and accepting such sponsorship was perceived as inappropriate. Forde, Meadows and Foxwell (2002a) identified key reasons that community radio stations 'refuse sponsorship'. Of those surveyed, who refused a sponsorship request, 57 per cent of stations disagreed with the content of the announcement, 19 per cent disagreed with the organisation seeking sponsorship, and the rest mostly cited audience related issues (ibid: 101). Their study also revealed that 90 per cent of stations had sponsorship guidelines to handle these issues (ibid, 101). Of interest, the stations studied by Gordon (2009) showed a correlation between clear station objectives and successful funding. Those stations that had clearly identified funding sources and an awareness of why those sources were appropriate appeared more successful in obtaining funds. Gordon (ibid: 74) suggests that this probably stems from identifying sponsors who would recognise extra value by associating themselves with the ideals of the station.

Some stations may find it hard to attract sponsorship in a manner commensurate with the ACMA regulations. Van Vuuren (2006c) examined a sample of Australian stations that had been investigated by the Australian Broadcasting Authority between 1995 and 2005 due to complaints, relating to their commercial sponsorship practices. Since the *Broadcasting Services Act 1992* (BSA), the sector has been obliged to self-regulate against its own Codes of Practice (ACMA 2008a). Similar to Forde, Meadows and Foxwell (2002a: 98), Van Vuuren (2006c: 27) suggests that while the BSA has relaxed the rules on sponsorship, which has helped stations raise funds, there has been a shift by some stations to adopt more commercial business and programming formats. According to Van Vuuren, many in the sector would like to see the five minutes an hour time limit on sponsorship increased. This desire to see an increase in sponsorship announcements is one response to reduced government funding, suggesting that an increase in the time allowable would also allow stations to develop more professional programming and to offer local businesses a cheaper alternative to commercial radio advertising. Community radio's increasingly commercial approach has the potential to arouse concern from the commercial sector and any governmental regulatory body (Van Vuuren 2006c: 30). Van Vuuren argues that the time limit on sponsorship messages and the lack of clarity around the definition of sponsorship content are both important issues facing the sector.

There are three main components to the sponsorship guidelines. The first issue is the five minute per hour restriction on sponsorship, which is relatively easy to regulate (ACMA 2008b: 15). The second issue is the on-air "tagging" of announcements, which is also relatively easy to regulate. The "tagging" of announcements demonstrates clear financial support from the sponsor, for

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[4] Community radio is not allowed under the Broadcasting Services Act 1992 to air advertising but can air sponsorship. The distinction between the two is defined by the ACMA (2008a, 13) guidelines: "The key feature of a sponsorship announcement is its acknowledgment of the financial or in kind support given by a sponsor to a community broadcasting licensee or a program."

example, "XYZ Pty Ltd, sponsor of 1FM" (ACMA 2008b: 14). Thirdly, there must be a clear differentiation between *community information* and *community promotion* (sponsorship or free advertising). In relation to this third component, Van Vuuren (2006c) maintains that there is an overlap between community information and community promotion, especially when interviewing local businessmen, local performers and artists. The ACMA (2008b: 3) deals with complaints in this category on a case-by-case basis and considers what 'an ordinary, reasonable listener[5] would have understood the broadcast to have conveyed.' Presenters must walk the line between the two types of information and ensure that the talent[6] is aware of the distinction. The ACMA (ibid, 9) notes that discussion with subject matter experts can be problematic. ACMA provides the example of a do-it-yourself (DIY) expert on a home improvements programme, who must ensure that their comments are restricted to technical information and avoid promoting goods or services in the process.

For stations that promote local music, this overlap between community information and community promotion can become particularly difficult. Sponsorship guidelines allow presenters and artists to mention their artistic or cultural works, including gigs, venues and websites. However, the language, context, flavour and repetition of announcements will determine whether it constitutes promotional advertising. For example, a band's new album can be mentioned, as well as the recording process and the tour to promote the album. However, any mention of where the album can be purchased and the purchase price is likely to be considered advertising (ACMA 2008b: 12). Where it becomes somewhat murky for music shows is around gig and venue promotion. On-air gig guides that offer a range of venues and bands, without promotion of any particular venue or band, are presumed to be focused on communicating information to the community. However, the promotion of a particular venue will most likely be considered advertising (ibid). When performers are being interviewed, they will most likely promote their upcoming events. As Van Vuuren (2006c: 32) states, this is a 'run-of-the-mill conclusion' to most artist interviews. Van Vuuren cites an example from 2003 at Radio Logan in south-east Queensland, where a presenter repeatedly mentioned the artists' gigs during their conclusion to an interview. There were five mentions in total and this was considered advertising by the Australian Broadcasting Authority (ABA) because 'the character of the broadcast had changed from being a general promotion of culture to a broadcast of a commercial nature' (ibid).

In comparison to Radio Logan, Van Vuuren (2006c: 33) cites another example, at 2000FM in Sydney, which suggests that the definitions of community information and community promotion are not clearly articulated by the sponsorship guidelines. 2000FM in Sydney allegedly broadcast community promotion of a play and musical where tickets were featured as prizes in an on-air competition. The play was produced by a not-for-profit organisation comprised of retired and elderly participants. The venue had been donated by a local school. There was no payment to the radio station for the broadcast information. The play was mentioned eight times and the musical two times on-air, yet the ABA did not consider this a breach of the guidelines.

Van Vuuren (2006c) is concerned by the disparity in the rulings on these two cases. She asks whether the rulings here were determined by the beneficiaries of the funds from the events. The musicians are a professional act and are paid as individuals making a living, however not-for-

[5] An ordinary, reasonable listener: "A person of fair average intelligence, who is neither perverse, nor morbid or suspicious of mind, nor avid for scandal. An ordinary, reasonable listener does not live in an ivory tower, but can and does read between the lines of that person's general knowledge and experience of worldly affairs" (*Amalgamated Television Services Pty Limited v Marsden* (1998) 43 NSWLR 158: 164-167).

[6] In this scenario, 'talent' refers to a studio guest or interviewee.

profit organisations are equally allowed to pay individuals in their organisation. If this is the determining factor in these rulings, it becomes a matter of interpretation, lending credence to a lack of definition (Van Vuuren 2006c). Although there has been a recognisable shift towards commercialism within the sector, in order to stay viable, it may also be that these less than clear sponsorship guidelines have encouraged the shift.

This shift towards commercialism within the community radio sector is not only demonstrated by an increasing emphasis on sponsorship, but also by the decision of some community stations to rebroadcast material from commercial stations. This has also been a subject of investigation by the ABA. The issue was highlighted by a group of stations in New South Wales who decided to rebroadcast the *John Laws Show*. The stations reasoned that they were broadcasting the show on the grounds that they were responding to an overwhelming demand prompted by the suspension of the show's broadcast by 15 commercial stations. There is currently no regulation on rebroadcasting commercial radio programmes, yet it is assumed that community stations will fill the advertising slots with their own sponsorship. The problem arises because advertising is part of the live *John Laws Show*, and is not easily segmented from the talkback material. As such, community stations will potentially be in breach of the BSA simply from rebroadcasting the original show. In these cases, the ABA reprimanded the stations. However, the stations continued to broadcast the *John Laws Show* and three more community stations followed their example. Van Vuuren (2006c: 35-37) suggests that the argument for broadcasting commercial content centres on demand, as well as the *broadcasting* role of community stations, which are obliged to offer wide ranging programming options. This group of broadcasters see community radio as a cost-effective entrance to the commercial sector. Subsequently, this raises concerns about the efficacy of current legislation. The dividing line between community radio and commercial radio is blurred by such practices.

The trend towards increasing sponsorship income in the sector comes with another cost. Maximising audience share to satisfy sponsors may push community stations into producing more commercial style programme formats.[7] The guiding principles of Australian community radio include promoting diversity, access and equity for those not adequately represented in other media, independence in programming and increased community participation in broadcasting (ACMA 2008a: 1). The creep of commercialism would seem to undermine these objectives. As Meadows and others (2005: 174-176) note:

> [This] is against the very principles of community radio … A recurring theme across the sector is the pressure to remain 'community-orientated in an increasing commercial environment … where the desire to be primarily 'community' is met with the everyday realities of 'paying the rent'.

Grants

At present, the Community Broadcasting Foundation (CBF 2015a) is the 'independent non-profit funding agency that seeks, secures and distributes funding to support the development, creativity and sustainability of community broadcasting in Australia.' Stations can apply for grants under many categories, but many do so for specific purposes, such as broadcasting equipment or community development projects, and they are generally one-off payments. Each grant is for a separate reason and applications are considered separately on their merit.

[7] As stated by Barnard (2000, 51): 'The classic critical argument against the commercialization of mass communications media is that pursuit of advertising revenues encourages programming assumed to appeal to the greatest number [maximizing audience share], thereby marginalizing less popular tastes and interests.'

From the station perspective, this funding can seem a little ad hoc and there has been some past criticism of the CBF. Forde, Meadows and Foxwell (2002a, 106), in their Australia-wide study of the sector refer to the findings from a focus group that described the application process as too lengthy and suggested the time would be better spent selling sponsorship. There is also further paperwork for the stations in the form of grant reporting and accounting requirements, which include a grant outcomes report, grant financial report, certification statement and an auditor's financial certificate. Adequate and timely reporting is mandatory to receive further grants.[8] It should be noted that at the time of writing the CBF was undergoing a structure and governance review where they state: 'we are looking to make our processes more straight-forward to clients' (CBF 2015c) and provide 'fewer barriers to participate in grant processes' (CBF 2015b: 5).

Other stations suggest that ethnic programs are not necessarily funded based on their popularity within the community but on other issues. For example, to ensure ethnic stations receive their funding, they are obliged to broadcast at least 50 per cent of foreign language content. A focus on foreign language content automatically reduces music content.[9] These kinds of compromises, which impact on programming independence, may push stations to rely more on sponsorship and other income streams than the CBF (Forde, Meadows and Foxwell 2002a: 106). This may push stations towards more commercial formats, which may mean sacrificing some of their community access and participation goals.

In addition, the CBF has been criticised by some stations for the restrictions they place on funding if the stations become successful at raising funds elsewhere. If a station raises a substantial amount of funding through subscription or sponsorship, then they are informally excluded from the CBF funding (Forde, Meadows and Foxwell 2002a: 106-107). Funding is generally for stations struggling to generate income in other ways. For some, this funding philosophy is ill-conceived. However, the research by Forde, Meadows and Foxwell (ibid) also revealed that some of the more financially stable stations were happy to support poorer stations, especially if they were struggling due to their location in more remote areas.

In defence of the CBF and their grant processes, they have actively sort to engage peer group involvement in the funding processes. Applications, grant criteria, policy advice, funding categories are managed by Grant Advisory Committees (GACs).

> GACs are informed by the views of relevant key stakeholders communicated through sector representative organisations and more directly through consultation with community broadcasters at those organisations' annual conferences. GAC members are appointed by the CBF Board to perform an independent advisory role in grants disbursement and the formulation of funding policy (CBF 2016a).

[8] For further details about the Community Broadcasting Foundation (CBF) grant reporting requirements, see http://www.cbf.com.au/grants/grant-reporting-requirements/.

[9] To receive the CBF Ethnic Program Grant, a program must contain at least 50 per cent spoken content and it must contain 50 per cent in a language other than English (see http://www.cbf.com.au/grants/grant-finder/grant-categories/ethnic-grants/ethnic-program-grants/ and http://cbf.com.au/grants/grant-finder/grant-categories/ethnic-grants/ethnic-program-grants/ethnic-program-conditions/).

At present the CBF list nine GACs who look at the grant areas of Australian Music, Digital Radio, General, Ethnic, Indigenous, Online, Radio Print-Handicapped, Training and Television (CBF 2016a). As an important note, the CBF has been engaged in a sometimes fraught organisational review since early 2015 to streamline grant processes. There has been considerable consultation and submission with stakeholders in the community broadcasting sector. The heterogeneous nature of community media means a diverse range of opinions about the funding of the sector is present. Some of the rancour around the current CBF organisational review stems from a change from multiple grant areas to three broad areas –, development grants, content grants and sector investment grants (CBF 2015d). Consultation is on-going.

The CBF also actively promotes non-CBF sources of funding on their website. These include other sources of government and philanthropic grants (CBF 2016b). The diverse scope and detail of these grants is beyond this paper but examples include: opportunities specific to Tasmania, the Northern Territory, and rural New South Wales[10], The Propeller Project[11] (Youth led with social or environmental focus), The Bank of Melbourne Neighbourhood Fund (Improve the lives of physically, socially or economically disabled people in your community)[12] and Foundation 49 (Men's health awareness)[13]. There is also a grants calendar service that helps members of the Community Broadcasting Association of Australia (CBAA)[14] keep track of opportunities that are identified as *Strategic Grants* (CBF 2016c). There are many potential grants available for community broadcasters. The challenge for community stations often becomes finding the human resource to identify grants that are possible, making the applications and then reporting on the outcomes. It may be prudent for community broadcasters to employ personnel whose primary job is to apply for grants. This has been encountered in the author's previous research at 6RPH in Perth (Order 2013). 6RPH employed a "business development manager" for that very task.

Janey Gordon (2009), in "Community Radio: Funding and Ethics", explores the theme of grants. She discusses funding dilemmas in the United Kingdom (UK) and Australia (Gordon 2009). Similar to Australian radio stations, community stations in the UK are required by their licence requirements to demonstrate some social gain through their operation. This has seen many stations seek funding from social or government bodies that specify social gain outcomes in their investment. However, such funders also normally impose strict conditions, which may well affect the programme material that is delivered (Everitt 2003 cited in, Gordon 2009: 66). In contrast, the guidelines set by AMARC (2010), in *The Community Radio Charter for Europe*, state:

> [Community radio stations] are editorially independent of government, commercial and religious institutions and political parties in determining their program policy.

According to Gordon (2009: 67), this presents stations with a continuing dilemma:

> It can be seen that community radio broadcasters and listeners have set high ethical principles by which to function. Their quandary being that someone still has to pay the bills.

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[10] http://www.cbf.com.au/cbf-update/other5/
[11] https://www.propellerproject.com.au/Home/ApplyForFunding
[12] http://www.cbf.com.au/cbf-update/other-non-cbf-grant-opportunities1/
[13] http://www.cbf.com.au/cbf-update/other2/
[14] https://www.cbaa.org.au/ The CBAA is the peak body for community radio and television stations in Australia.

In the national research of the sector by Forde, Meadows and Foxwell (2002a), one participant raised the issue of the placement of government sponsorship across different Australian media sectors. These are a form of indirect grants. The supposition is that the government allocates a lot of money to the ABC and the commercial media to broadcast government advertising. The *International Year of the Volunteer* was provided as an ironic example. The placement of government advertising could be perceived as an indirect support for those companies involved. However, the government could show this indirect support to the community sector if some of those advertising contracts were placed with the sector (ibid: 97).

Sale of Air-Time

The sale of air-time under the banner of community representation is another way community broadcasters can legitimately raise funds. *The Broadcasting Services Act 1992* does not legislate specifically for the sale of air-time. However, as long as the other licensing conditions are met, namely community participation and community representation, this practice is considered acceptable and even encouraged if it means the station can provide services to people from a particular niche, ethnic or cultural background (ACMA 2010: 23). In the case of ethnic community radio stations, the sale of air-time can sometimes provide as much as 75-95per cent of their income (EBAQ 2002: 97). It equates to the ethnic community paying for their programme. Local community associations will sometimes donate funds or provide volunteers to represent their community.

It could be argued that if programming becomes restricted to those who can afford to pay for it, this goes against the grain of widening community participation, especially as there is no limit to the amount of air-time that can be sold under the ACMA guidelines. However, Forde, Meadows and Foxwell (2002a, 103) point to the Sydney focus group in their study who indicated that this method of income generation was a primary source of financial stability for stations in their locale. Fees ranged from $5 to $90 for one hour of programming, and they believed that this activity was a way of ensuring that, 'programs they were presenting were coming directly from their community of interest – groups paying for air time had to show that they had reasonable community support' (ibid). The ACMA (2010, 23) guidelines offer a similar sentiment suggesting that it should, 'encourage community participation by giving individuals or groups an opportunity to contribute to the program schedule.' Viewed in this light, the sale of air-time can be a positive thing. Those who belong to a community organisation that can afford to purchase air-time can bring their own contributions to the airwaves thereby adding to the value of community radio. Concerns arise, however, if stations under financial pressure were to adopt a practice of excluding community members who cannot afford to pay for air-time.

Subscription

Another effective way of raising funds is through listener subscriptions. If a station has a good listener base, it can tap into that resource by asking listeners for a small annual financial subscription or a tax-deductible pledge to support the station's day-to-day costs.[15] Forde, Meadows and Foxwell (2002a, 103) state that between 2000 and 2001 a number of stations increased their income from $42,000 to a substantial $300,000 using subscription campaigns. These campaigns are commonly termed "radiothons"[16] because they are marathon-like

[15] Community radio organisations are normally listed as deductible gift recipients (DGR) under the *Income Tax Assessment Act 1997*. This means that donations to a community radio station can be declared as tax deductions (see http://www.ato.gov.au/nonprofit/content.aspx?doc=/content/62774.htm).

[16] -athon: 'added to the end of words referring to an activity or event, especially one that has been organized to raise money for charity, to show that it continues for a long time'" (Cambridge Dictionaries Online 2013). In the case of Radiothon, the "a" has been dropped presumably for ease of pronunciation and marketability.

fundraising events that often continue for a long period of time. Through a subscription, the listener pays a fee to be a member of the station and often receives benefits, such as discounts at bookshops, music/film retailers and movie theatres. For example, community radio station Triple RRR, in Melbourne, 'is regarded as being amongst the most successful financially … 55 percent [of their AU$1.2 million turnover in 2005] came from its listeners in subscriptions'. (Gordon 2009: 72). As Triple RRR (2010) explains when explaining the benefit of subscriptions to listeners:

> You will be filled with the warm fuzzy sense of satisfaction that you are part of the RRR *family* and helping us stay on-air, there are subscriber events like BBQs, live broadcasts in our performance space, and movie screenings.

The station uses subscriptions to cultivate the sense of belonging to a station family, and there is no doubt that this is attractive for some listeners. The development of this kind of relationship between station and listener impacts positively on democratic station governance. Some stations tether a listener survey to their radiothons. At the time of subscription, members are asked to complete a survey about what they think of the station, enhancing that feeling of family and inclusivity (Edge 2011). Other stations have used the success of previous radiothons and have included listener surveys to engender the sense that the station is always open to feedback not just during a radiothon. Listener surveys are available at other times during the year as well (RTRFM 2011). The radiothon is just one way of accessing and encouraging more feedback from listeners.

Broadcasters also may be able to leverage their status as deductible gift recipients (DGR). This is a status defined in tax law, often applicable to not-for-profit or charitable organisations. The tax office can endorse organisations under certain criteria (ATO 2016). This endorsement allows for individuals to gift money as tax deductible donations. Community broadcasters can take advantage of that status. Some stations with significant listener community spirit have taken this a step further. For example, RTRFM[17] in Perth offer listeners a monthly donation package (RTR 2016). This demonstrates how valued some stations are within their communities, where they listeners are willing to pay to listen. Similarly, broadcasters with distinctive niche audiences such as Christian stations, Fine Music or ethnic community stations may be able to leverage this funding further where financial contribution to their community is a more established practice.

Community Radio and Professionalism

Thus far the discussion has focused on the direct financial challenges that face community radio stations, but community radio also operates in the competitive media marketplace. Stations compete with both commercial and public service radio for listeners. The principles of community representation and participation may be fundamental, but the station also needs listeners and those listeners need to be entertained, informed or educated. If the sector is struggling to stay financially afloat, can it provide the sort of competitive and professional service that will attract listeners?

Community radio is often portrayed as demonstrating amateur media production values (compared to commercial and public service broadcasters). The absence of slick, dynamic professional production values 'is perceived as a negative attribute of the sector and its presenters' (Meadows et al. 2007a: 33); however, there are two sides to this coin. The same audience study by Meadows and others (2007a) also suggests that existing community radio

[17] http://rtrfm.com.au/ https://shop.rtrfm.com.au/

listeners prefer the relaxed style of community broadcasting. They feel it is more accessible and they can associate better with the presenters: 'it's like talking to a good mate or something like that. There's no barrier' (Focus group cited in Meadows, Forde et al. 2007, 33). These viewpoints are understandable if you are an existing listener, but this is unlikely to attract new listeners from mainstream media to community radio. The view from listeners who prefer the professionalism of mainstream media may be slightly different: 'A bunch of amateurs playing at radio … it all sounded messy and … not a very good listen' (Doyle 2010). The lofty ideals of representation and community participation become less important if there are no listeners or very small audience groups.

Van Vuuren (2006a) also addresses this idea, focusing on the public sphere and community radio. She discusses an earlier incarnation of 4ZZZ in Brisbane from 1976, whose full-time staff dispensed with volunteer programmes altogether because they felt they were 'often badly produced, boring and disrupted the program flow' (Van Vuuren 2006a: 380). The station at the time wanted to be a coherent and legitimate voice in the wider mediascape. Their goal was to provide what they considered to be a reputable voice in contrast to the State Government. Van Vuuren (ibid) points to a paradox within community media:

> [t]o be accepted as a legitimate alternative voice in a wider mainstream public sphere, a process of exclusion ensures that access to broadcasting is limited to those individuals and groups whose points of view best represent a station's purpose and thus preserve its value and purpose.

If the community radio sector wants to be a legitimate voice or satisfy a larger demographic, while still contributing to the democratisation of the media, then production values should be strong and the message of the station clear.

One of the earliest community radio activists in Australia, David Griffiths (1975a), supports this view. Observing the sector in 1975, he believed that its potential would only be fully realised when it operated at a professional level. He looked at programming, staffing, organisational issues and 'the complexities and dimensions of radio [from a professional producer's viewpoint]' (Griffith 1975: 7). He believed that until these elements were performed at a high professional standard:

> [t]hey are preventing an effective challenge to the hegemony of commercial and ABC radio networks and creating an inferior, ghetto-type second-class form of radio (ibid).

In his view, without a degree of professionalism there would be little motivation for society at large to engage with the community sector. Community radio can give voice to the voiceless, but the sector needs to make sure there are people listening to that voice. For that to happen, professional training is necessary. Training to a professional standard is costly, and presents yet another financial challenge for the sector.

The Community Broadcasting Foundation (CBF) has tried to address the training challenges faced by community broadcasting. The National Training Program (NTP) was established in 2004 with funding at $2.2 million over four years and a further $600,000 for 2008-9. The NTP has seen review and change but was ultimately decommissioned in 2010. The Community Media Training Organisation (CMTO) was established in 2010 in its place, to administer and manage the previous NTP program (CBF 2016). Stations may apply for training grants and they may nominate their preferred registered training organisation. The current NTP priorities are detailed as:

> The bulk of the training places to be directed to community radio stations in regional, rural and remote areas. Funding will also be directed to the special training needs of radio for the print handicapped, Indigenous and ethnic broadcasting. In relation to ethnic training, ethnic youth, new and emerging ethnic groups and new language groups will be targeted for training (CBF 2016).

There was another review of the NTP in 2015, an independent study by Griffith University, but the CBF stated that the 'report did not significantly advance our ability to make decisions regarding the future development of the NTP' (CBF 2016). The CBF will underatke further investigation of the NTP. The complex administrative processes, grant processes and reviews of the NTP detailed at the CBF website (CBF 2016) would suggest a fraught brief history, not conducive to the easy access of training funds for community broadcasters.

Conclusion

The limits of this research are bounded by the age of the some of the available data. However, the sentiments suggested by the data have not changed. The scope of this paper is also limited by the detail of the funding sources that are possible to accommodate, especially for the numerous and different types of grants that are available. The narrative, by contrast, has a simple message: Community broadcasters face a challenging financial paradigm and are often dealing with ethical dilemmas.

The creep towards commercialism is shown by stations who rebroadcast commercial content and who may see this as a building block to entering the commercial sector, throwing off their community ethos entirely. Financial prudence may be narrowing the difference between the community and commercial sectors. Similarly, a look at the recent ACMA code breaches (ACMA 2016) suggests that sponsorship practices are a necessarily difficult area to negotiate for community broadcasters. Broadcasting ethics 'where the desire to be primarily "community" is met with the everyday realities of paying the rent' (Meadows 2005: 174-176).

Grants have also become a fraught area for community broadcasters where application processes are long-winded and reporting, accounting and paperwork requirements are unwieldy. The Community Broadcasting Foundation (CBF) continues to consult to streamline policy in light of these challenges; however, their own organisational and processes review have become a sector flashpoint, highlighting and inflaming some sentiment in the sector. Broadcasters have suggested time may be better spent selling sponsorship (Forde, Meadows and Foxwell 2002a, 106). The area of better grant provision is developing, hopefully, in a better way for the future.

The sale of air-time across the community sector is common practice and is endorsed by ACMA as a way of encouraging community participation. Some stations derive significant revenue from this source. However, there are two ethical concerns. Community broadcasters should be given access to the airwaves based on community provision not financial reward. If a community group approaches the station with a view to representing their niche group and they also are able to provide advertising sponsorship for their programme, they are better value to the station. Two examples of these kinds of shows are one sponsored by a trade union body (overtly political) and another sponsored by a church group (overtly religious), both wishing to spread their message. At Radio Fremantle, one of the station volunteers questions the ethics:

> If an advertiser sponsors the program, they get a private program in some sense. For special interest programs they are in a sense buying air time. I'm quite dismayed by what goes over the air sometimes from these kinds of programs on community radio. I went to radio school and you have a responsibility to put out accurate and good things. People believe what they hear (Order 2013: 354).

Concerns also arise, if stations under financial pressure were to adopt a practice of excluding community members who cannot afford to pay for air-time, and this sentiment has been expressed by some members at Radio Fremantle (Order 2013: 354). There was a feeling of irritated ambivalence among most members about this issue because financial concerns weighed against community representation, and the two were difficult to reconcile.

Professionalism and production values in the community sector are often contentious issues, where the worth or value of broadcasting is often linked to the professionalism. As AMARC (2007: 51) contends, there is a need to demonstrate 'value for money', or the efficacy and effectiveness of the sector in meeting their community goals. This argument suggests that funding should follow if there is a clearer model of value and stations can demonstrate that value. However, as Griffiths (1975a) suggested long ago, it might be that funding is required to bring the station to a professional standard or perceived level of value.

Referring to 4ZZZ in Brisbane, Van Vuuren (2006a) suggests that professionalism was essential for the station to meet their goal of offering a viable political media alternative. They sacrificed some community representation for a bigger political goal. In this case, it could be argued that funding would have helped to train existing volunteers**.** As discussed previously, notions of value are not clearly understood, which makes any funding model based on value difficult to construct. This kind of "chicken and egg" dilemma is difficult to resolve. At the time of writing the National Training Program was under review by the CBF where they believed more investigation is warranted.

This paper has charted the common financial challenges that face community radio stations in Australia, and has shown how the relative poverty of the sector requires a kind of financial pragmatism that is often at odds with the core community broadcasting values of community representation and community participation. Given that these benchmarks of representation and participation can vary in quite subtle ways, it can be problematic to evaluate the sector and show the value of community radio to potential funding bodies. A strategy for the assessment of value for community radio and, by association, the positive social impact of the sector is long overdue. This work has been started by Order (2013). Future research may link demonstrated community value with funding outcomes.

Any model of social impact, however, should be contingent on the heterogeneous fiscal natures of the stations within the sector. This review of funding has shown that stations can be torn between fulfilling their core mission as community broadcasters and the financial pragmatism of staying financially afloat. Solutions to these dilemmas will always be unique to individual stations and their staff. A future strategy for the assessment of value for community radio should be inclusive of the range of fiscal solutions without prejudice.

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