

5 February 2016



Budget Policy Division
The Treasury
Langton Crescent
Parkes ACT 2600

COMMUNITY
BROADCASTING
ASSOCIATION OF
AUSTRALIA

Budget submission

This letter forms the submission of the Community Broadcasting Association of Australia to the 2016/17 Budget Process.

The CBAA is the peak body for the community broadcasting sector. With a total of 440+ stations in our sector, the CBAA's membership includes a diversity of generalist, music-focussed, ethnic, Indigenous, Radio Reading Network for people with a print disability, religious and faith-based, metropolitan, suburban and regional stations.

Community broadcasting is the non-profit third pillar of Australia's broadcasting industry. Driven by the energy and passion of 25,000 volunteers, the community broadcasting sector services an aggregated national audience of over 5 million who listen to its distinctive, diverse and local content for over 15 hours each week.¹ Community broadcasting has a growing role contributing to and reflecting an Australia that is an open society, a strong democracy and a vibrant culture.

The measures proposed in this submission are intended to ensure that community broadcasting retains and develops its capacity to benefit Australian society.

Maintaining Digital Radio funding

The CBAA has written to the Minister for Communications about the importance of maintaining funding for the existing metropolitan community digital radio services at least to the current 2015/16 level of \$3.686m p.a., plus indexation. That information is attached as a background briefing.

Existing community digital radio services in Sydney, Melbourne, Brisbane, Perth and Adelaide serve diverse communities of interest including ethnic, Indigenous, radio for print handicapped, youth, educational, religious, arts and specialist music, seniors and community access.

Funding support for digital radio infrastructure and affordable access to the digital broadcast platform is the priority concern for our sector in this budget period.

The CBAA reiterate our request for a commitment to maintaining targeted funding for community digital radio at 2015/16 levels with indexation reintroduced through an exemption from the Administered Programme Indexation Pause.

Repeal the two-year extension to the Administered Programme Indexation Pause

In the 2015/16 budget it was announced that the Administered Programme Indexation Pause would be extended for a further two years, resulting in significant compounding reductions to the Community Broadcasting Program in real terms.

The community broadcasting sector has made endeavours to cover these costs through more efficient and effective use of funds, and seeking other sources of funding. However, the size of this cut over the full five years is beyond the sector's capacity to respond without reductions in station viability and standards in broadcasting.

¹ <https://www.cbaa.org.au/sites/default/files/media/McNair%20Fact%20Sheet%20-%20Australia%20-%202015%20-%20Wave%20%232.pdf>



COMMUNITY
RADIO
NETWORK



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AUSTRALIAN MUSIC RADIO AIRPLAY PROJECT

This further extension of the Pause is beyond the ability of the sector to absorb through efficiencies and other measures. The CBAA recommends that the two-year extension to be repealed as it applies to the Community Broadcasting Program.

Transmission

In November 2015, the Australian Communications and Media Authority (the ACMA) completed its review of arrangements in the radiofrequency band 803-960 MHz.²

The most recent ACMA decision is for a partial band clearance: studio-to-transmitter linking (STLs) operating in the 849-852 MHz band will no longer be supported - however - STLs in the 845-849 MHz band will continue to be supported.

The ACMA decision has implications for some community broadcasters who use part of this band for STL. Forcing these stations to move frequency, with additional impacts on other stations as spectrum allocations are shuffled to accommodate the moves, generates costs that are considerable for community radio stations.

Transitional funding is necessary to ensure the continued broadcasting of community radio stations impacted by this decision. Beginning this year, the ACMA will be working to determine which stations are to be impacted, on a case-by-case basis.

The CBAA is seeking \$2.2m funding for the 2016-17 financial year, with a commitment to further funding over the following four years. Final allocations for the four further years would be informed by the ACMA's findings on demand and need as the band clearance progresses.

Training shortfall

Community broadcasters need skills development to deliver content to the standard expected by their audiences and communities of interest. Broadcast skills training is delivered through the National Training Program. There is a shortage of funding to the National Training Program, leading to a level of unmet need.

The result of unmet need in community broadcasting training is a reduction in the quality of broadcasting. With the prospect of further media ownership reforms reducing the number of local voices in regional areas, well trained and professional community radio volunteers are an increasingly important community asset. This requires resourcing.

Information and analysis provided to the Department of Communications by the Community Broadcasting Foundation within its annual activity reports on funding allocated to the community broadcasting sector establishes a significant level of unmet need evidenced by unsuccessful training grant applications of over \$420,000 in 2012-13 and \$220,000 in 2013-14. Early analysis of data from the last financial year suggests that available grant funds were again oversubscribed by \$231,000. The cost to address unmet need in the National Training Program is consistently above \$220,000 per annum.

A key finding of the 2015 Griffith University *Review of the community broadcasting sector's National Training Program*³ was that "there are insufficient funds within the National Training Program... to serve the training demands of the sector; and to enable the sector to build new resources and offer new modes of delivery (such as online) that will bring the sector's training capabilities in line with the needs of an industry in the throes of the digital revolution". In modelling the funding levels required to adequately meet sector training needs, Griffith University recommended an increase of \$227,566.

With consistent, intense competition for the limited training funds available in recent years stations in need of training are self-excluding from the grants process based on an expectation that they are not likely to be successful.

An annual additional allocation of \$225,000 to the National Training Program is required to reinforce and extend the sector's capacity to meet the expectations of the listening community.

² <http://www.acma.gov.au/theACMA/review-of-the-803-960-mhz-band>

³ http://www.cbf.com.au/index.php/download_file/538/

Kind regards,



Jon Bisset
Chief Executive Officer

This submission is supported by the following organisations:

