



PRIME MINISTER

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FEDERATION OF AUSTRALIAN RADIO BROADCASTERS/SYDNEY TIME CLUB
SYDNEY - 3 DECEMBER 1986

Mrs Cameron, Members of FARB, members of the Time Club,
ladies and gentlemen.

Anybody who has ever produced a talk-back radio show will know that politicians are no strangers to radio. I suppose I am no exception to that. Indeed I always enjoy participating in talk-back because it's an excellent way of keeping in touch with the Australian public, of letting them know what we're doing and of hearing their concerns and complaints.

Sometimes hearing them pretty forcefully, too.

The stimulating thing about talk-back is that listeners will ask your view about nearly every issue under the sun; and of course they're entitled to as good a response as you can give.

But though we discuss almost everything on talk-back, we seldom discuss radio itself - which is a shame in view of the gigantic contribution radio has made and will continue to make to Australian society, and in view of the very great changes taking place in the Australian media industry overall.

So today, instead of talking on radio, I want to talk about radio - which is fitting because the very wide representation of the radio industry present here today means I am talking, in effect, to radio.

I want to address today the key question facing us all in government as well as in the radio industry: that is, how to ensure that radio continues to serve the best interests of the Australian community in the future - as it has done for several decades already.

In particular I want to address the issue of the introduction of FM radio to regional areas, a development which as you all know is imminent.

The rapid pace of change is affecting radio as it is affecting the rest of the Australian society. We must master the technological challenge facing us. We must adapt

to our new competitive trading environment. We must learn to minimise restraints to growth where they exist. We must critically examine if we can simplify and reduce the amount of costly regulation which we have inherited.

My Government has been given the responsibility of steering Australia through a time of very profound economic change. We are proud of our achievements in bringing about the conditions for future economic growth. Australian industry is poised to reap the benefits of a new competitiveness. And to their eternal credit, the Australian people have shown their willingness to make sacrifices in the interests of securing adequate living standards for the future.

As part of this adaptation to new economic and technological circumstances, some industries have undergone quite considerable change. One common theme running through the Government's involvement in for example the revitalisation of employment and investment in the car and steel industries, or in the announcement of new ownership and control rules for the television industry, has been the creation of a more competitive environment.

The radio industry is now, as you know, undergoing a similar process.

With the introduction of the new FM licences, the radio industry faces potentially major change.

The Government believes the increased utilisation of this public resource - the FM band - will yield substantial new consumer benefits.

But we are determined also that the process of change in the radio industry will take full account of your views and the views of other sections of the industry. We know from experience that the best route to smooth structural re-adjustment is through detailed analysis, close consultation with affected parties, and, only then, a careful and balanced Government decision.

We would all have liked it better, of course, if this process could have been completed more speedily.

But it is necessary to achieve the right decision, and that process involves balancing competing industry opinions, expert views and government priorities. Inevitably this takes time.

FARB has, I know, expressed dissatisfaction with the length of time that it has taken for the issue of new FM radio licences in Australia to be determined. You have rightly noted that it is ten years since a commitment was made to introduce new FM services nationally.

For much of the three and a half years my Government has been in office, we have given priority to the greater problem of regional television. I make no apology for this.

However, we are now committed to moving quickly on the introduction of FM services, particularly in regional areas. We believe the members of FARB, and the Australian listening public as a whole, will ultimately benefit from this change.

The Minister for Communications, Michael Duffy has, I know, already made clear to you that the Government's preferred option is to provide additional services by means of independent operators - that is, to introduce competition.

I believe that all elements of the industry - FARB, FAIR, other independents, the Tribunal, and the Government - are agreed that the supplementary licence scheme needs change if it is to be made workable. In its current form there must be strong doubts that the scheme would ever work effectively.

Only two hearings have been completed under it. They have taken two years, and they have yet to result in any new service.

I hasten to point out, having noted that Deirdre O'Connor is here, that this is not meant to be a criticism of the Tribunal. Rather it exemplifies how unworkable is the system the Tribunal must administer.

A substantial amount of information, and various competing proposals, or options, have now been put forward on how to streamline the supplementary scheme process. I should emphasise that the Government has not yet made its decision on this issue.

Obviously, where there is doubt about the means by which additional services are to be provided, the Tribunal represents the appropriate arbitrator. But where there is not - based on the best available information, including that offered by the industry - the Government must consider whether it can continue to delay the delivery of services to the public by the imposition of an inappropriate and time consuming scheme.

The Government has a number of proposals under consideration which have been available for public comment. I hope that industry representatives have taken up this opportunity for comment, in a spirit of co-operation.

FARB has, I know, responded in detail to the report of the Forward Development Unit in the Department of Communications which deals with FM issues. Let me make clear again that contributions to this debate are welcomed by the Government. I want to take this opportunity of assuring you that FARB's response will be seriously and fully considered.

I would note, too, that the task of assessing the FDU Report is a task for the Minister and the Government, not officials or advisers.

I am aware of FARB's concern that up until now the

consultative process appears to have adopted an unreasonable interest in the viability of new licencees, and spent little time on the viability of existing licencees.

If this is so, and I am not convinced that it is, then let me redress the balance to the extent possible today.

We have no desire at all to undermine the viability of existing broadcasters. It would be patently inconsistent with our desire to see additional, diverse services provided to regional listeners if we were to merely drain the vitality of the existing services.

On the other hand, the Government can be expected to have little patience with claims that there are no or very few markets where new, competitive services can co-exist with established services.

Ladies and Gentlemen.

I want to make a few brief comments today as well on the impact of the new television ownership and control rules, as they affect radio.

You will all be aware that the new rules contain a cross media test, a matter which was central to the communications plank in the ALP platform at the last elections, and an issue which has received great attention in the United States in the last decade.

As far as radio is concerned, the new rule should free up some parts of the industry from being perhaps tied to a corporate strategy predicated on television's interests. While no radio station need be divested under the television rule, the rule will limit any potential television licensee to areas where no monopoly radio licence is held.

I would note also that the policy explicitly refers to "monopoly" radio, consistent with the Government's stated prejudice towards competition.

Ladies and Gentlemen.

Let me in conclusion make a few comments of more general relevance to the entire media industry. I am always ready, as I think you would know, to acknowledge and defend the essential role of the media in our democratic system. The ability of you and your colleagues in TV and the print media to keep the Australian public up to date on current political events is a genuinely desirable feature of our political life. So is your ability to criticise politicians when you see fit.

But ready as I am to acknowledge that, I am equally prepared to return the criticism when I see fit - and today gives me an opportunity to do that.

I always thought that one of the basic tasks of news

reporting was checking your facts before going to air or to print. I still think that should be one of the crucial tasks of news analysis. Yet recently we have seen some outstanding examples where indolence - failure to check facts - has been allowed to take the place of diligence

Three times of late, lead stories in the National Times on Sunday which were themselves less than fully accurate have been picked up by electronic media and reported virtually without change or prior checking. It's irritating to read not just an incorrect newspaper story but to hear it broadcast for the rest of the weekend and I take this opportunity of gently reminding you all of your responsibility to reporting the truth.

Ladies and Gentlemen.

Radio is a positive, exciting, aggressive medium. It did not lie down and die when television was introduced - despite the predictions of some critics. It has survived advertising slumps, war, and recessions. We should all work together to see that it survives the present demands of restructuring.
