



COMMUNITY
BROADCASTING
ASSOCIATION OF
AUSTRALIA

6 September 2019

Independent Pricing and Regulatory Tribunal New South Wales
Level 15, 2-24 Rawson Place
Sydney, NSW 2000

SUBMISSION TO REVIEW OF RENTAL ARRANGEMENTS FOR COMMUNICATION TOWERS ON CROWN LAND - 2018

The Community Broadcasting Association of Australia (CBAA) welcomes the opportunity to participate in IPART's review of rental arrangements for communication towers on Crown Lands 2018. As the peak body and national representative organisation for community broadcasting across Australia, we value the opportunity to add our thoughts on the Review's Draft Report and the potential impacts of its recommendations for community broadcasters in NSW. In particular, our comments focus on the draft recommendations covering:

- New rental arrangements for co-users (Recommendations 8, 9 and 10)
- Removal of rental rebates currently provided to community groups, local services providers and other users (Recommendation 16)
- Transitional and ongoing financial assistance for impacted community groups (Recommendations 18 and 19)

About community broadcasting and the CBAA

Community broadcasting is Australia's largest independent media sector. It makes an important contribution to the diversity, inclusiveness and social cohesion that characterises Australia's open society. It reinforces Australia's cultural vibrancy by:

- Providing a voice to communities not adequately served by other broadcasters
 - This includes Indigenous, ethnic and multicultural, educational, community access, religious and faith-based, Radio Reading Network for people with a print disability, youth and seniors, LGTBQI+, specialist music and arts communities.
- Giving a platform to a diverse range of viewpoints that enrich our social and cultural fabric and promote media diversity.
- Providing opportunities for social inclusion, local community participation and media access in the public interest.
- Supporting local content production and delivering content tailored to the needs and interest of local communities.

Community radio draws its listeners from a wide cross-section of the Australian community and has more listeners now than ever. The CBAA recently published its State of the Community Radio Sector Report 2019 which shows that **1.83 million NSW listeners tune in to the over 100 community radio**



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stations across the state each week – 29% of the state’s population.¹ Further, community broadcasting is the largest component of Indigenous media production in Australia and half (48%) of people who identify as Aboriginal or Torres Strait Islander listen to community radio during a typical week.

The community radio sector is powered by the efforts and dedication of over 26,000 volunteers.² Over half of stations are entirely volunteer run and 17% of volunteers are under 26 years of age. This means that the community radio sector is an important conduit for skills, training and employment opportunities across a range of topic areas relevant to broadcasting, management and operations.

The CBAA is the peak body for community broadcasting stations in Australia and an internationally recognised, not-for-profit cultural organisation. Since our inception, we have strived to platform voices otherwise not heard on air and always prided ourselves on maintaining a diverse sector, supported by volunteers and other community-minded individuals. The CBAA champions community broadcasting by building stations’ capability and creating a healthy environment for the sector to thrive. We work toward ensuring that community broadcasting is recognised as an excellent, innovative, sustainable, accessible, trusted and diverse industry, and a key pillar in Australian broadcasting that contributes to an open society and cultural vibrancy.

Comments on Draft Report Recommendations

Overall, the CBAA supports the approach and most of the recommendations in IPART’s Draft Report, if implemented effectively and with minimal disruption to community radio stations. We take this opportunity to provide our comment on the recommendations that would impact the operations of community radio stations in NSW, and ideas for implementation.

New rental arrangements for co-users (Recommendations 8, 9 and 10)

Like others who submitted to the inquiry, the CBAA does not support co-user rates, as many community radio stations who rent on Crown Lands already pay rent to councils or other entities who own the communications towers and related equipment. The vast majority, if not all of the community radio stations that occupy Crown Lands in NSW, are 100% volunteer-run stations with an annual turnover of less than \$100,000. Any new operating costs placed on community broadcasting stations can impact their viability, particularly for smaller stations in regional areas.

We believe the sliding scale for Sydney/high/medium/low areas related to Recommendation 8 is calculated fairly, and reflects the impact different markets and regions have on community radio stations’ ability to generate income.

Though the CBAA is cautious regarding the introduction of new co-user rents, if adopted we support IPART’s Recommendation 9 that the co-user rent be capped at the flat rent per site for primary users on existing sites in the same location category.

Removal of rental rebates currently provided to community groups, local service providers and other users (Recommendation 16) and transitional and ongoing financial assistance for impacted community groups (Recommendations 18 and 19)

Under the current regime, the rental rebates offered to community groups have been an effective way for the NSW Government to assist not-for-profit broadcast services that provide a clear public benefit. Less than 10% of an average community radio station’s income comes from Federal Government grants, with the majority of income raised through member fees, sponsorship,

¹ Community Broadcasting Association of Australia (2019). *State of the Community Broadcasting Sector*, p.8 [online]. Available at: www.cbaa.org.au/article/state-community-radio-sector-report

² Community Broadcasting Association of Australia (2017), *Community Broadcasting Sector Financial Health of Community Radio Survey*. Available at: www.cbaa.org.au/sites/default/files/media/CBAA%202017%20Financial%20Health%20of%20Community%20Radio%20Survey%20FINAL.pdf

fundraising and fee-for-service initiatives.³ This specific funding for community broadcasting is delivered via the Community Broadcasting Program through the Department of Communications and Arts and distributed by the Community Broadcasting Foundation. There is currently no specific funding set aside by the NSW Government for community broadcasting.

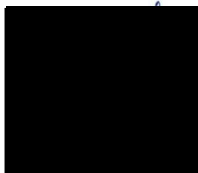
Community radio stations have made representations to IPART as part of this process, including Radio Northern Beaches, an example of a community radio station that would be severely adversely affected by the removal of the current rental rebate scheme without adequate measures to compensate for the financial impact. The station currently owns their broadcast equipment which is situated on Crown Land in Sydney, having bought it from their local council in 2016. This means the station will go from paying just over \$500 per year under the current rebate scheme, to \$33,700 (as per table 5.1) under the proposed recommendations, which is about the same as the station's annual income of roughly \$34,000.

The CBAA can only support the removal of rental rebates if the impact on community broadcasters is offset fully, effectively and efficiently through the implementation of Recommendations 18 and 19. The offset funding should be ongoing, indexed and in perpetuity to give operational certainty to community stations. This extends to any station that is also a co-user and that must pay more than the minimum rental fee because they occupy more land than the primary user (under Recommendation 8).

Applying for funding through grants or similar processes is onerous on 100% volunteer-run community stations with limited resources. The transition to new offset arrangements should ensure minimal disruption to community organisations. We recommend that the Report's recommendations go further to ensure offsets can be delivered without placing extra administrative burden and financial insecurity on stations. The case of Radio Northern Beaches could be presented as an example of why the transitional and ongoing offset arrangements are important to get right.

The CBAA is committed to working closely with the NSW Government and IPART to further share our ideas, experience and knowledge on rental arrangements for communication towers on crown land. As the peak body for the sector, and an active participant in research, policy and planning in broadcasting reform, the CBAA is well placed to provide further advice.

Kind regards,



Jon Bisset
Chief Executive Officer

³ Community Broadcasting Association of Australia (2017), *Community Broadcasting Sector Financial Health of Community Radio Survey*. Available at: www.cbaa.org.au/sites/default/files/media/CBAA%202017%20Financial%20Health%20of%20Community%20Radio%20Survey%20FINAL.pdf