

# Commercial television compliance with Australian content requirements

2021 compliance report: regional licences

SEPTEMBER 2022

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### **Executive summary**

The availability of Australian programs on television contributes to strong and vibrant communities and a shared sense of who we are as Australians, by building a common understanding of Australian experiences and stories and enhancing our understanding of the Australian national identity.

Relatedly, there are 2 key obligations on commercial television licensees that require them to meet certain minimum standards for broadcasting Australian content each year. As a result, commercial television licensees report to the ACMA annually on their compliance with:

- 1. the Australian content transmission quotas required by section 121G of the *Broadcasting Services Act* 1992 (BSA) the transmission quotas
- 2. the new first-release Australian program points quotas as required by the Broadcasting Services (Australian Content and Children's Television) Standards 2020 (ACCTS) the points quota.

This report provides the compliance results and related information for all 62 regional commercial television licensees for the 2021 calendar year. The BSA transmission quotas have remained static across recent years.

Of note, this was the first year of operation for the ACCTS, which the Australian Communications and Media Authority (ACMA) made in December 2020 following a direction from the then Minister for Communications Urban Infrastructure, Cities and the Arts.

This report provides a summary of regional commercial television compliance for 2021 with the Australian content obligations set out in the BSA and ACCTS. Under these reporting obligations, regional television licensees lodge content returns with the ACMA by the end of March each year, giving details of:

- > broadcast hours of programs claimed towards the transmission quotas in the preceding calendar year; and
- > the annual points claimed for first-release Australian programs broadcast in the preceding calendar year. First release Australian programs are either commissioned Australian drama (including children's drama), commissioned Australian documentaries, commissioned Australian children's non-drama programs, or acquired Australian films.

Notably, all licensees met all their obligations in 2021 for both the transmission quotas and the ACCTS points quota obligations. Compliance has been achieved through a mix of actual or deemed compliance with the BSA transmission requirements and the ACCTS quota requirements.

### Regional compliance for 2021

#### Transmission results for broadcasts in 2021

The Australian content transmission quotas in the BSA require commercial television licensees to transmit:

- 1. Australian programs<sup>1</sup> for at least 55% of all programming broadcast between 6 am and midnight on their primary television services; and
- 2. at least 1,460 hours of Australian programs between 6 am and midnight on their non-primary television services (multi-channels).

All regional licensees reported meeting transmission quotas for their primary channel (55%). The level of compliance for Australian content, between 6 am and midnight on primary channels, ranged from 67.81% to 77.7% in 2021.

Fifty-two regional licensees reported broadcasting more than the 1,460 hours quota for non-primary channels by broadcasting a range of hours; the lowest being 1,502 hours and the highest being 8,205 hours for 2021. Ten regional licensees broadcast less than 1,460 hours. These licensees have relied on 'deemed compliance' available under the BSA.

#### Deemed compliance - Australian content transmission quotas

In 2020, section 121H of the BSA was introduced. Section 121H permits a regional commercial licensee to be deemed compliant. The introduction of the section recognises that regional and remote licensees can find it difficult to satisfy the Australian content obligations because they rely on metropolitan licensees for content provided through program affiliation agreements. The number and type of multi-channels provided by regional and remote licensees can be impacted by infrastructure capacity and/or by affiliation agreements that exist between licensees.

Regional and remote licensees can be deemed compliant with multi-channel quota obligation to broadcast at least 1,460 hours of Australian programs if they provide the ACMA with a notice that meets relevant conditions set out in subsection 121H(1) of the BSA. The ACMA must publish a copy of the notice on the <a href="ACMA's website">ACMA's website</a>. As part of the 2021 regional licensee compliance reporting, the ACMA received 10 notices for deemed compliance with the multi-channel quota requirements.

The effect of deemed compliance is that the 10 licensees will be taken to each have broadcast 1,460 hours of Australian programs because they have each transmitted no less than the total number of hours of Australian programs broadcast on the equivalent multi-channel by the metropolitan commercial television broadcasting licensee, during targeted viewing hours in 2021. For example, 7 regional and remote licensees showing 10, 10 Bold and 10 Peach on their multi-channels transmitted the same amount of Australian content as the affiliate metropolitan counterparts, so these licensees can be deemed compliant.

The transmission percentages and hours broadcast for each regional licensee are in Table 1 below.

<sup>&</sup>lt;sup>1</sup> An 'Australian program' is one that is produced under the creative control of Australians. This may include having Australian producers, directors, writers and cast.

## Points quota for first release Australian programs and acquired films broadcast in 2021

The <u>ACCTS</u> commenced on 1 January 2021. The ACCTS requires commercial television licensees to broadcast at least 250 points of first release Australian programs, across certain genres, each calendar year. The genres include:

- > commissioned first release Australian documentary programs
- > commissioned first release Australian children's programs (non-drama)
- > commissioned first release Australian drama programs
- > acquired first release Australian films.

This is the first report of regional licensee compliance results under the ACCTS.

The ACCTS allocates points per broadcast hour based on the program's production budget, and higher points can be claimed by licensees for commissioned Australian drama programs with high production budgets.

#### When is a program commissioned?

'Commissioned' in relation to a program is defined in section 8 of the ACCTS to mean that a licensee or its program supplier has made a material and meaningful financial contribution to a program (before completion). Commissioned programs may include in-house productions or domestic co-productions with national broadcasters, streaming video services or subscription broadcast channels.

The Explanatory Statement to the ACCTS states that for a financial contribution to be considered 'material and meaningful', it should be a contribution that is both significant and enables the program to be made. If the contribution of the licensee is not considered material and meaningful, quota points cannot be claimed for the program.

The significance of a financial contribution is assessed by looking at the licensee contribution as a proportion of the overall production budget for the commissioned program. The approach to the 2021 points quota has been:

- > For all fully-funded programs, licensees are considered to have made a significant financial contribution and this has enabled the programs to be made. A licensee's contribution is material and meaningful as a result.
- > For programs where a medium to high proportion of the total production budget has been supplied by the licensee, the ACMA has considered this a significant financial contribution, and this has enabled the programs to be made. A licensee's contribution is material and meaningful as a result.
- > For programs where a lower proportion of the total production budget has been supplied by the licensee, the ACMA queried licensees on matters beyond direct funding, such as broadcasting and streaming rights/entitlements; the creative control the licensee has; the type of program being produced and the arrangements for co-commissioning or multiparty productions, as well as the overall budget of the program. Following assessment of further evidence, the ACMA determined whether licensee contributions for particular programs meet the 'material and meaningful' test as a result.

#### What points can be claimed?

Schedule 1 of the ACCTS provides for points allocation across genres as follows:

Genre	Points per hour broadcast
Commissioned first release Australian documentary program (capped at a maximum 50 points per calendar year)	1
Commissioned first release Australian children's program (non-drama)	1.5
Commissioned first release Australian drama program (less than or equal to \$450,000 production budget per hour)	1.5
Commissioned first release Australian drama program (more than \$450,000 up to \$700,000 production budget per hour)	4
Commissioned first release Australian drama program (more than \$700,000 up to \$1,000,000 production budget per hour)	5
Commissioned first release Australian drama program (more than \$1,000,000 up to \$1,400,000 production budget per hour)	6
Commissioned first release Australian drama program (more than \$1,400,000 production budget per hour)	7
Acquired first release Australian film (licence fee per film less than \$50,000)	1
Acquired first release Australian film (licence fee per film equal to or more than \$50,000)	2

All regional licensees have met the annual points quota under the ACCTS, with:

- > 44 licensees broadcasting first release Australian content between 270 and 374 points<sup>2</sup>
- > 18 licensees broadcasting first release Australian content below 250 points but relying on the deemed compliance provisions of the ACCTS.

Licensees may 'carry over' up to 50 points in excess of the annual points quota from one calendar year to the next.

The average hours of ACCTS first release commissioned programs and acquired films broadcast by regional licensees in 2021 ranged between 109 hours and 192 hours.

#### Deemed compliance: ACCTS annual points quota

Section 16 of the ACCTS provides that a regional licensee can be deemed compliant with the annual points quota under the Standards. The <u>Explanatory Statement to the ACCTS</u> indicates that the deeming provision was introduced to protect regional and remote licensees that may have limited control over programming retransmitted under an affiliate agreement.

As part of the 2021 compliance reporting, the ACMA received 18 notices for deemed compliance with the 250 annual points quota for first release Australian content and films. Deemed compliance for the ACCTS points requirement can occur if the duration of first release Australian programs the regional or remote licensee broadcasts is the same as, or more than, the amount broadcast by its metropolitan affiliate on the latter's equivalent channel/s during the same year. For example, 10 WIN Television regional and licensees transmitted the same duration of first release Australian programs and Australian films as the affiliate metropolitan counterparts, so can be deemed compliant. WIN Television licensees transmitted 10, 10 Peach and 10 Bold from 1 January to 30 June 2021, Sky News on WIN from 1 January to 31 July 2021. Then following new affiliation agreements transmitted 9, 9Go!, 9Gem from 1 July to 30 December 2021 and 9Life from 1 August to 30 December 2021.

The ACMA has published copies of the notices given under the ACCTS on the ACMA's website.

The ACCTS quota points broadcast by each licensee are in Table 1 below.

<sup>&</sup>lt;sup>2</sup> Figures have been rounded up or down to reflect a whole number.

Table 1: Transmission quota and ACCTS points quota – regional licensee results

### 1 January 2021 to 31 December 2021

Call sign	Licence no.	Company name	Primary channel transmission quota (%)	Non-primary channel transmission quota (hours)	First release Australian program quota points		
Major sour	Major source of programs: Cherry-picked (number of licences: 5)						
BCV	104	SOUTHERN CROSS COMMUNICATIONS PTY LIMITED	72.16	2,114.93	340.17		
СТС	85	AUSTRALIAN CAPITAL TELEVISION PTY LTD	72.95	2,008.47	340.17		
GLV	106	SOUTHERN CROSS COMMUNICATIONS PTY LIMITED	72.16	2,114.93	340.17		
TDT	1150806	TASMANIAN DIGITAL TELEVISION PTY LTD	72.16	2,114.93	340.17		
TNQ	113	REGIONAL TELEVISION PTY LIMITED	72.63	2,020.05	340.17		
Major sour	rce of programs:	Nine (number of licences: 16)					
BDN	1130143	BROKEN HILL TELEVISION PTY LIMITED	76.23	2,303.93	271.00		
GDS	1130142	SPENCER GULF TELECASTERS PTY LIMITED	76.23	2,303.93	271.00		
IMP	2898	IMPARJA TELEVISION PTY LTD	77.70	1,460.00^	270.50		
MTN	10103	WIN TELEVISION GRIFFITH PTY LTD	76.46	5,660.37	250.00#		
NBN	94	NBN PTY LTD	77.74	2,158.40	271.00		
NTD	10172	TERRITORY TELEVISION PTY LTD	77.15	2,177.03	271.00		
NWS	121	CHANNEL 9 SOUTH AUSTRALIA PTY LIMITED	76.23	2,304.10	271.00		
RTQ	116	WIN TELEVISION QLD PTY LTD	76.05	5,671.95	250.00#		
RTS	10174	WIN TELEVISION SA PTY LTD	74.75	5,721.72	250.00#		
SES	10330	WIN TELEVISION SA PTY LTD	74.75	5,721.72	250.00#		
STV	10088	WIN TELEVISION MILDURA PTY LTD	75.53	5,752.53	250.00#		
STW	10162	SWAN TELEVISION & RADIO BROADCASTERS PTY LTD	75.82	2,397.38	271.00		
TVT	132	WIN TELEVISION TAS PTY LTD	75.53	5,752.53	250.00#		
VTV	107	WIN TELEVISION VIC PTY LTD	75.53	5,752.53	250.00#		
WIN	99	WIN TELEVISION NSW PTY LIMITED	76.46	5,660.37	250.00#		
WOW	10048	WIN TELEVISION WA PTY LTD	72.25	5,852.65	250.00#		
Major sour	Major source of programs: Seven (number of licences: 18)						
AMN	10104	WIN TELEVISION GRIFFITH PTY LTD	72.92	5,361.75	373.75		
AMV	103	PRIME TELEVISION (VICTORIA) PTY LIMITED	76.24	4,671.38	373.75		
BKN	10241	BROKEN HILL TELEVISION PTY LIMITED	75.60	5,171.82	373.75		
CBN	90	PRIME TELEVISION (SOUTHERN) PTY. LIMITED	72.90	4,929.75	373.75		
GTS	10234	SPENCER GULF TELECASTERS PTY LIMITED	75.60	5,171.82	373.75		
GTW	10418	GERALDTON TELECASTERS PTY LTD	71.29	5,093.35	373.75		

Call sign	Licence no.	Company name	Primary channel transmission quota (%)	Non-primary channel transmission quota (hours)	First release Australian program quota points
ITQ	114	REGIONAL TELEVISION PTY LIMITED	72.54	5,157.55	373.75
NEN	95	PRIME TELEVISION (NORTHERN) PTY LIMITED	72.90	4,929.75	373.75
PTV	10089	PRIME TELEVISION (VICTORIA) PTY LIMITED	76.24	4,671.38	373.75
QQQ	4285	REGIONAL TELEVISION PTY LIMITED	72.54	5,157.55	373.75
RDS	1130145	WIN TELEVISION SA PTY LTD	75.60	5,171.82	373.75
SDS	1130144	WIN TELEVISION SA PTY LTD	75.60	5,171.82	373.75
SSW	10417	GOLDEN WEST NETWORK PTY. LIMITED	71.29	5,093.35	373.75
STQ	115	CHANNEL SEVEN QUEENSLAND PTY. LIMITED	72.11	5,356.80	373.75
TND	10173	REGIONAL TELEVISION PTY LIMITED	75.60	5,171.82	373.75
TNT	133	SOUTHERN CROSS TELEVISION (TNT9) PTY. LIMITED	76.26	5,117.10	373.75
VEW	10416	MID-WESTERN TELEVISION PTY LTD	71.29	5,093.35	373.75
WAW	4747	GOLDEN WEST SATELLITE COMMUNICATIONS PTY LTD	71.29	5,093.35	373.75
Major source	ce of programs:	Ten (number of licences: 14)			
CDT	1130050	CENTRAL DIGITAL TELEVISION PTY LIMITED	67.99	1,460.00^	250.00#
DTD	1130013	DARWIN DIGITAL TELEVISION PTY LIMITED	67.99	1,460.00^	250.00#
GDW	1130046	WEST DIGITAL TELEVISION NO.2 PTY LTD	69.43	1,567.83	278.00
IDQ	1130051	CENTRAL DIGITAL TELEVISION PTY LIMITED	67.81	1,460.00^	250.00#
LRS	1150796	WIN TELEVISION SA PTY LTD	72.11	8,059.12	279.00
MDN	1130146	WIN TELEVISION GRIFFITH PTY LTD	71.05	7,938.28	278.50
MDV	1150827	MILDURA DIGITAL TELEVISION PTY LTD	70.26	1,501.25	278.50
MGS	1150799	WIN TELEVISION SA PTY LTD	72.11	8,059.12	279.00
NRN	96	NETWORK INVESTMENTS PTY LTD	69.77	8,205.05	250.00#
SCN	1150797	BROKEN HILL TELEVISION PTY LIMITED	67.85	1,460.00^	250.00#
SDW	1130049	WEST DIGITAL TELEVISION PTY LTD	69.43	1,567.83	278.00
SGS	1150798	SPENCER GULF TELECASTERS PTY LIMITED	67.85	1,460.00^	250.00#
VDW	1130048	WEST DIGITAL TELEVISION NO.3 PTY LTD	69.43	1,567.83	278.00
WDW	1130047	WEST DIGITAL TELEVISION NO.4 PTY LTD	69.43	1,567.83	278.00
VAST licen	ces: (9 callsigns	5)			
Major source	ce of programs:	Nine			
SVW (WIN9)	1130166	WA SATCO PTY LIMITED	72.25	5852.65	250.00#
VAN (IMP)	1130136	EASTERN AUSTRALIA SATELLITE BROADCASTERS PTY LTD	77.70	1,460.00^	270.50
VAS (IMP)	1130135	EASTERN AUSTRALIA SATELLITE BROADCASTERS PTY LTD	77.70	1,460.00^	270.50

Call sign	Licence no.	Company name	Primary channel transmission quota (%)	Non-primary channel transmission quota (hours)	First release Australian program quota points		
Major source	Major source of programs: Seven						
SVW (GWN7)	1130166	WA SATCO PTY LIMITED	71.29	5093.35	360.00		
VAN (SCT)	1130136	EASTERN AUSTRALIA SATELLITE BROADCASTERS PTY LTD	72.54	5157.55	373.75		
VAS (SCT)	1130135	EASTERN AUSTRALIA SATELLITE BROADCASTERS PTY LTD	76.26	5176.10	373.75		
Major source	Major source of programs: Ten						
SVW (WIN10)	1130166	WA SATCO PTY LIMITED	69.43	1567.83	278.00		
VAN (CDT)	1130136	EASTERN AUSTRALIA SATELLITE BROADCASTERS PTY LTD	67.81	1,460.00^	250.00#		
VAS (CDT)	1130135	EASTERN AUSTRALIA SATELLITE BROADCASTERS PTY LTD	67.99	1,460.00^	250.00#		
Summary info	Summary information Lowest		67.81	1,460.00	250.00		
		Highest	77.74	8,205.05	373.75		
		Minimum annual requirement	55.00	1,460.00	250.00		

<sup>^</sup> Denotes licensees provided notice to the ACMA for deemed compliance under s121H(1) of the BSA. Notices are available on the ACMA website.

<sup>#</sup> Denotes licensees provided notice to the ACMA for deemed compliance under section 16 of the ACCTS. Notices are available on the ACMA website.