TELEVISION STATIONS LICENCE FEES AMENDMENT BILL 1983

Date Introduced: 24 August 1983
House: House of Representatives
Presented by: Hon. M. Duffy, M.P., Minister for Communications

Short Digest of Bill

Purpose

To amend the Television Stations Licence Fees Act 1964 (the Principal Act) to:

(i) impose a higher scale of charges on those stations whose gross annual earnings exceed $9 million;

(ii) raise the maximum proportion of gross annual earnings payable as a licence fee from 7.5 per cent to 8 per cent.

Background

This Bill is a companion measure to the Broadcasting Stations Licence Fees Bill 1983 and modifies the schedule of fees introduced under the Television Stations Licence Fees Act 1981. Under the provisions of that Act, licence fees are levied on a sliding scale determined by the gross annual revenue of each station. The present scale of fees for stations with annual earnings of less than $9 million remains unchanged. On current revenue figures, 16 of the 50 commercial television stations in Australia will be liable to pay increased fees.

Main Provisions

Clause 2 provides that the new scale of charges shall apply to all annual licence fees payable on or after 1 September 1983.

Clause 3 deletes paragraphs (2A) (d), (e), (f) and (g) of S.6 of the Principal Act and inserts new paragraphs substituting new formulae to cover the earnings ranges:

(d) $7 million to $10 million
(e) $10 million to $20 million
(f) $20 million to $45 million
(g) over $45 million

Under the new paragraph (g), the maximum percentage of annual gross earnings payable as a licence fee rises from 7.5 per cent to 8 per cent.

Comment:

The present Bill is a straightforward revenue measure and involves no policy initiatives. However, the Minister indicated in his Second Reading Speech that future amendments are under consideration to provide for reductions in licence fees for those stations which meet prescribed Australian content requirements. Such a move would represent a significant change of policy. Hitherto, the obligations imposed on licensees under the Broadcasting and Television Act 1942 to provide programming which serves the public interest have generally been regarded as a quid pro quo in return for the obligation imposed on the Australian Broadcasting Tribunal under the same Act to protect the commercial viability of existing licensees. The amendments foreshadowed by the Minister would change the role of the licence fee from that of a simple revenue measure to that of an instrument of regulatory policy.

For further information, if required, contact:

1 September 1983

Education and Welfare Group
LEGISLATIVE RESEARCH SERVICE

References


2. Australian Broadcasting Tribunal, Cable and Subscription Television Services for Australia, paragraphs 1.59-1.62, 7.1-7.6.