Date Introduced: 18 August 1981
House: House of Representatives
Presented by: Rt. Hon. I.M. Sinclair, M.P., Minister for Communications

Short Digest of Bill

Purpose

To amend the Broadcasting Stations Licence Fees Act 1964 and the Television Stations Licence Fees Act 1964 to:

a) raise the fee paid upon initial granting of a licence from $200 to $500

b) remove the $200 lump sum component of the annual fee

c) change the schedule used in calculating the sliding component of the annual fee.

Background

Increases in licence fees for both Broadcasting and Television Stations were initially considered during 1979 but have not been implemented until now. The present Bills are aimed at recovering the cost of industry regulation and increasing revenue. The method of determining licence fees paid by individual stations has been changed and is now based on a graduated scale according to gross earnings. This means that licencees with low gross earnings will pay less than under the existing schedule and this is estimated to benefit about 120 radio stations and 20 television stations which earned less than approximately $2.5 million in 1980-81.

The 1981-82 Budget detailed receipts from both Broadcasting and Television Stations licencing fees in 1980-81 as $2.5 million and $19 million respectively. The amendments contained in these Bills, combined with other factors, will yield an estimated $3.1 million from Broadcasting Stations Licencing Fees and $28.4 million from
Television Stations Licencing Fees, increasing revenue by 25.8 per cent and 49.4 per cent respectively.

Main Provisions

Clause 3 of each of the Bills amends section 6 of each Principal Act. Sub-section 6(1) is amended to change the amount payable on the initial granting of a licence from two hundred dollars to five hundred dollars. Sub-section 6(2) of these Acts currently provides for an initial fee of two hundred dollars payable on the annual renewal of a licence and details a scale of additional fees based upon gross earnings. This sub-section is to be replaced with new sub-section 6(2) in which the two hundred dollar lump sum component of the annual renewal fee is abolished. Annual licence renewal fees are to be calculated solely on a progressive sliding scale dependent upon the station's gross earnings.

For further information, if required, contact:

Finance, Industries, Trade & Development Group

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