



# **West Coast Radio Pty Ltd**

**Submission by West Coast Radio Pty Ltd**

**Local Content Requirements for Regional  
Commercial Radio**

**Response to the discussion paper issued by  
The Department of Broadband  
Communications and the Digital Economy**

**March 2010**

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West Coast Radio Pty Ltd (WCR) welcomes the opportunity to participate in the review of local content requirements for regional commercial radio.

This response is on behalf of the following licenses operated by WCR –

SL 10077 6CST – Mandurah Western Australia

SL 10360 6MM – Mandurah Western Australia

**WCR have nothing to add to Commercial Radio Australia's position on key issues 1, 2.1, 2.2 or 3 and fully support its submission**

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**Key Issue 4 – How can existing requirements be modified to ensure the appropriate application of the trigger event related provisions? What type of events, if any, should be exempt from the trigger event requirements?**

WCR understands that the original purpose of the notion of a "Trigger Event" was to address the possible impact of cross-media mergers in regional areas, particularly with regard to combining newsrooms across two different types of media organisations (e.g. radio/television; radio/newspaper).

The current requirements are far reaching and capture numerous situations that were in our belief not originally anticipated and as a result, a number of seemingly unintended consequences arise from the "Trigger Event" definition. These include the application of the trigger event provisions to the following events.

- Intergenerational transactions that do not involve a sale of shares in a licensee company for a regional commercial radio licence.
- Internal corporate restructures where the ultimate controller does not change.

In the above exemplified circumstances and in others too lengthy to list here, there is no apparent policy or legal reason why those events should result in significantly increased regulatory obligations for regional commercial radio licensees.

**WCR is urging the Government to limit the trigger event definition to its original intention i.e. cross media sales and mergers. The definition should definitely exclude situations similar to those listed above.**

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**Key Issue 5 – For how long should broadcasters comply with the additional requirements imposed after a trigger event occurs? If a change to the current arrangements is proposed, what type of change should apply and why is it appropriate?**

Following a "Trigger Event" a licensee must abide by section of 43b(1) of the BSA requiring the broadcaster not to decrease number of staff or the local facilities that are in place immediately prior to the trigger event occurring. WCR believe this is truly draconian, as what other private organisation, group or Government body in this country is subject to the same interventionist and unprecedented ruling. This kind of dictate will prove detrimental to those broadcasters dependant on the local economy for most of their income. Furthermore this edict does not take into consideration either changing economic conditions or the rapid advance of new technologies.

Aside from the increasing costs of compliance there are the reporting and record keeping requirements. These are costly, burdensome and time consuming and WCR believe it is unreasonable to expect regional commercial radio stations to maintain such a level of compliance reporting for an indefinite period. WCR believes that a sunset clause should be introduced so that the maximum duration of the Local Presence Licence Condition and the additional content and reporting requirement is a maximum of 12 months only.

**WCR would urge the Government to delete the "trigger event" obligations that burden the regional commercial radio sector. If removal is not possible, we would urge the Government to implement a 12 month sunset clause.**

### **Productivity Commission Report**

The Productivity Commission conducted a *Review of the Regulatory Burdens on Business* in 2009. This review looked at the impact of the local content and trigger event legislation on the regional commercial radio industry.

The Commission recognised the significant difficulties caused to the regional commercial radio industry as a result of the legislation and made the following recommendations:

#### **Draft Recommendation 4.4 – Local Content**

The policy objective of the local content rules could be met through more flexible rules. The Australian Government should introduce amendments to make provision for regional broadcasters to meet their local content obligations over the course of a longer time period, rather than through rigid daily content obligations.

#### **Draft Recommendation 4.5 – Trigger Event**

The Australian Government should introduce amendments to abolish the trigger event provisions for radio broadcasters. Instead local content provisions should be relied on to ensure broadcast of locally significant material.

**WCR supports the conclusions of the Productivity Commission and urges the Government to take the Commission's recommendations into account when conducting its review of the legislation.**

For further information please contact James Barrett, General Manager, West Coast Radio Pty Ltd. 08 9581 2666.