Abstract

Whereas in the USA broadcasting was established as commercial enterprise and in the UK and New Zealand it was established as a government run essential service, in Australia, ever since its inception, broadcasting has been considered an essential service and a commercial enterprise which has come under the jurisdiction of the federal government. This idea was inherently contradictory in the Australian context as the population in regional and rural Australia was mostly too scattered for commercial enterprise to be a viable proposition, and yet people in these areas were demanding this new essential service, broadcasting. Many changes in policy were introduced in an attempt to overcome the problem. However, since it has never been a major national election issue, the development of broadcasting was severely retarded by pressure from vested interests, once the ABC was added to the existing commercial stations and the dual system were established in 1932. The pressure to retain the status quo came from both the existing commercial broadcasters and from the officers of the Australian Broadcasting Control Board (ABC) and the Post Office engineers. For decades Australian broadcasting was characterised by its continuity, with wireless sets having station call signs rather than frequencies, on their dials. It was not until the late 1960s that the situation began to change. Pressure for the development of non-commercially viable services from certain interest groups and people in specific electorates, particularly in ‘the bush’ where basic local radio services were still lacking, had grown to the extent that they outweighed the earlier pressures and the government was forced to ask the ABCB to review broadcasting services generally and consider the introduction of FM broadcasting in particular. These reviews led to embryonic recommendations for the introduction of non-government, non-profit radio broadcasting, two months before the MacMahon Coalition government lost power to Whitlam and Labor. The development of these ideas into
the establishment of public broadcasting, renamed community broadcasting by the *Broadcasting Services Act*, 1992, as the third sector to fill a long-time gap in a necessary essential service was still slow. Since broadcasting was never a national election issue, continuity often gave way to change, for governments of both political persuasions, only when broadcasting became an election issue in specific electorates. However, there was now sufficient pressure for change, permitting the new sector to be firmly entrenched by the end of the Fraser Coalition government. These changes allowed for the better implementation of the original concept, that while broadcasting was an acceptable commercial enterprise, it had to be within the context of being an essential service. To this extent, continuity has remained throughout the history of Australian broadcasting policy.

Ever since federation in Australia, the concept of public communication has come under the jurisdiction of the federal government. This has provided continuity and contrasts with the concept of public transport which was originally entirely a state government matter, but later involved some federal government intervention. The need for a single policy on public communication for the whole of Australia was so apparent to the colonial governments in the 1890s that Kevin Livingston (1994, p. 97) has claimed that it was a driving force leading to federation.

At that time the focus was on telegraph and telephone but by the time the Australian constitution was finalised wireless telegraphy was an embryonic new technology. This was recognised with the federal government’s fifth area of responsibility being defined as ‘postal, telegraphic, telephonic, and other like services’ (NSW 1897, p.1035). This definition has recently allowed the Minister for Communications, Information Technology and the Arts, Senator Richard Alston to assume the power to try and regulate the Internet. And as a result of this definition, the government assumed responsibility for all forms of wireless transmission as they became available. New Zealand, in 1903, and Britain, in 1904, had introduced legislation giving the government the right to receive and transmit messages by wireless telegraphy and establish stations for that purpose. The Australian government established its own control over this technology and passed the Wireless Telegraphy Act 1905. Unlike New Zealand and Britain it was not entirely clear what the Australian government intended to control (Day 1994, p.13). In fact, although regulation was to be under government
control, the government did not intend to maintain a monopoly use of the new technology. With government permission others were to be allowed to become involved as commercial enterprises (Wireless Telegraphy Act 1905; Curnow 1963, p.53).

Wireless telegraphy was basically used for point to point communication, like ship to shore, until after the First World War. It was only then that there was a serious push to establish point to multi-point communication, or broadcasting as it came to be known. At this time the government’s intentions were again unclear because it acquired a majority shareholding in the Amalgamated Wireless Company of Australasia Limited (AWA) in March 1922. The government’s aim was to enable AWA to provide direct wireless communication with England, and secure a virtual monopoly in the field of overseas communications. But AWA also sought a commercial monopoly of broadcasting within Australia (Curnow 1963, pp. 80-86, 97). This led to howls of protest both from the PMG’s Department and from George Taylor and his Association for Developing Wireless. Taylor (1927, p.11 as cited in Curnow 1963, p. 97) was unconcerned whether AWA was a government or a commercial interest, for him, any kind of monopoly was abhorrent. He represented small independent commercial operators wishing to participate in this new technology. The PMG’s Department, on the other hand, wanted broadcasting to be entirely in government hands (Curnow 1963, pp.50-52).

The government responded by determining that although broadcasting was a commercial enterprise it was also an essential service that needed government regulations to ensure its economic viability. A necessary part of these regulations was the allocation of frequencies to ensure that stations did not broadcast on the same frequency, drown one another out and go out of business, as they had in the USA (Hilliard 1985, pp. 7-8). The first regulations came into effect on 1 August 1923, and allowed for radio broadcasting licences to be allocated to commercial stations. These regulations proved unsatisfactory. However, they set a principle, unique to Australia for many years, that the government considered broadcasting to be both a commercial enterprise designed to make a profit and a public utility providing an essential service. This principle has provided a continuity in broadcasting policy ever since. Unfortunately, the whole idea is inherently contradictory in the Australian context and has led to many changes in policy in an attempt to overcome the problem. This paper will show that none of these changes provided a long term solution and that, in the 1970s, the government eventually introduced public broadcasting, renamed community
broadcasting by the *Broadcasting Services Act* in 1992, to try to overcome the contradictions in the original principle.

The problem was that the population in regional and rural Australia was mostly too scattered for commercial enterprise to be a viable proposition, and yet people in these areas were demanding this new essential service, broadcasting. This kind of problem remains as can be seen in the recent dealings of Minister Alston with the partially privatised telecommunications carrier, Telstra. The original commercial broadcasting stations had established themselves in the cities and in coastal areas where there was sufficient population to attract enough advertising to enable their businesses to flourish. The government tried various methods to persuade stations to establish operations in regions of sparse population over the next few years, but none was very successful. A workable solution was finally found in 1932 when the Australian Broadcasting Commission (ABC) was set up as a national broadcaster to be funded by the government from listener licence fees (Thomas 1980, p12; Inglis 1983, p.17). Australia now had a dual broadcasting system with the ABC as a public utility providing an essential service for the whole country and the commercial stations basically as businesses attempting to make a profit, where there was sufficient population to ensure economic viability. The Report of the Joint Parliamentary Committee on Wireless Broadcasting (Gibson 1942) confirmed this as the most satisfactory broadcasting system for Australia, and this system was enacted in legislation by the *Australian Broadcasting Act 1942*.

There was little basic change for nearly thirty years after the 1942 Act. In the first place this was caused by the Depression and the Second World War. However, in the post-war years many areas, particularly in regional and remote Australia were still inadequately covered by broadcasting services. There was some expansion of the ABC with the introduction of a second network, but since this also carried an obligation to broadcast parliamentary proceedings and programmes for schools it did little to alleviate the lack of diversity in programming, in the cities (Inglis 1983, p. 142). While refusing hundreds of applications for commercial licences, the government, in the mid 1950s, sought to improve the situation in some areas by allowing existing commercial stations to increase their power output to cover larger areas (ABCB 1955a, 1955b, 1955c). None of these developments helped country people who were clamouring for their own stations which could provide local information which they regarded as an essential service. The ABC could not satisfy their needs as one network concentrated on national programming and the other concentrated on
state programming. Increasing the power of existing commercial stations did not help either (ABCB 1953; ABCB 1956; Dean 1958, p. 1615; Fairhall 1960; Reynolds 1965; Hulme 1969).

There was some diversification in metropolitan broadcasting when an experimental VHF-FM service was introduced by the ABC in the capital cities in the early post war years (Cole 1970, pp. 268, 270; ABCB 1972, p. 5), but these stations were closed down in 1961 when the government decided to use that part of the spectrum to expand VHF television (Huxley 1961, pp. 7, 69-70). By this time, with the increase in immigration in particular and the population in general, there was a growing demand for a variety of specialist broadcasting services, particularly in the cities. Not only was the ABC’s VHF-FM service closed down but what little specialist programming had occurred on commercial radio began to disappear with the change of programming brought about by the introduction of television in 1956 (SBS 1979, p.10; Tebbutt 1989, p.137).

Continuity was abundant. In the post war years, governments of both political persuasions were committed to development as they accepted broadcasting as an essential service which should be available for all Australians. Labor wanted to nationalise all broadcasting services but that was politically impossible (Calwell 1955). The Coalition pledged the expansion of the commercial sector (Menzies 1949, as cited in Cole 1966a, p.65). In reality, whenever discussion of the expansion of broadcasting services arose the question always had to be answered as to whether it was part of the government’s responsibility to provide a public utility or whether this was another opportunity for private enterprise to run a commercial operation (ABCB 1951, paragraph 14, p. 4). However, virtually no new commercial stations were licensed, and, as we have already seen, by the late 1960s, there was less diversity in the cities than in the late 1940s and many country areas still lacked a basic service.

When development and expansion were demanded by the people and professed as policy by all the politicians why was there so little change and so much continuity? The official explanation was that there were no more AM frequencies available (ABCB 1955a; Cole 1966a, p. 65; Cole 1966b, pp. 74-75). It was claimed that Australia had a full spectrum with less than 150 stations and yet, with the same spectrum the USA managed more than 2,000 stations. By introducing directional aerials and reducing the power of some existing stations Australia could have done the same. Allen Fairhall, founder of station 2KO in Newcastle and Minister in the Menzies government (1956; 1959; 1961; 1992), has pointed out that since broadcasting
has never been a substantial election issue in Australia, the government allowed itself to be dictated to by vested interests. There were two groups with a vested interest in maintaining the status quo. The existing commercial stations pushed for their power output to be increased rather than have new competitors given licences and threaten their profitability. The Australian Broadcasting Control Board (ABCB), the regulating body established in 1948, and the engineers in the PMG’s Department were also determined to fight for the status quo. Peter Westerway (1997), a government broadcasting bureaucrat in the 1970s and 1980s has an explanation for this attitude, which still prevailed in his early years. Westerway maintained that society was more constrained in those days. Books were banned, movies were banned and the Control Board had very tight codes and standards for technical requirements and the contents of programs, all of which were monitored regularly. If there was a proliferation of stations this monitoring would have been impossible, with existing staff levels. By baffling a disinterested government with false science the Control Board and the PMG engineers were able not only to keep their workload at a reasonable level but were also able to keep control of the situation and maintain continuity. Westerway claimed that this was of prime importance to the officers involved, who were very conservative individuals.

However, much as vested interests wanted it otherwise, Australia was changing during the 1960s. The lobbying power of a number of other interest groups grew and eventually outstripped these old pressures, which had, for so long, succeeded in limiting the expansion of broadcasting in general and commercial broadcasting in particular. This happened because of technical advances in broadcasting, the introduction of television, and political and social changes in Australian society, due largely to education, travel and immigration. By the end of the decade, the government could no longer ignore public demand for the expansion of broadcasting services. Not only were some country folk still clamouring for a single satisfactory radio service, but in metropolitan areas there was increasing demand for specialist services, particularly from classical music groups, ethnic community groups, educational institutions, local community groups and aboriginal groups. In 1967 the government asked the ABCB to begin an overall review of broadcasting services (ABCB 1968, pp. 16-17). In May 1970 Postmaster-General Hulme expanded this to incorporate an inquiry into the possible introduction of FM Broadcasting.

During this review the ABCB authorised the licensing of seven additional AM commercial stations outside metropolitan areas, by making greater use of directional aerials (Walker 1973, p. 103).
However, this barely scratched the surface of the demand. One of the problems was the continuing dual nature of Australian broadcasting. Many of the services now being sought were never going to be commercially viable propositions. To increase the size of the ABC to cater for all these needs would have increased the size of the government’s broadcasting budget considerably. The Coalition government of the time was committed to reducing the size of government rather than expanding it. The ABCB’s report on FM broadcasting, the ‘Red Report’, was accepted by the McMahon Coalition government just before it lost office to Whitlam and Labor at the end of 1972 (Hulme 1972). For the first time, this report produced the beginnings of solutions to the existing situation by recognising that the dual system, which had been in place since 1932, was not the ideal system to serve the broadcasting needs of all Australians.

Not only did the report’s recommendations include the introduction of FM broadcasting, including a national regional network of FM stations, a national FM station in each capital city, and the licensing of commercial FM stations both in capital cities and provincial areas but also made provision for:

- a new type of service, comprising FM stations to be known as Public Broadcasting Stations, which would be conducted on a non-profit basis, to cater for the needs of educational, religious, professional, musical and other like interests, but which would be available to the general public.

(ABCB 1972, p. 90)

These stations were to be established in each capital city with the government owning the hardware and renting it out ‘to the various groups authorised to share the use of the facilities’ (ABCB 1972, p. 9). This was actually only a relatively small change. It would still incur some government expense, though not as much as expanding the ABC, but would also allow the government to retain some control over who was able to broadcast. The importance of this recommendation was that it was the first time official recognition was given to the advisability of introducing a third sector, public broadcasting, into the Australian broadcasting system to overcome the problems that had been inherent in the longstanding dual system. Although there was no suggestion in this report that any public broadcasting stations should be self-funded, self-managed independent organisations, which came to epitomise the sector when it developed, it was the beginnings of a change in attitude away from the unsatisfactory continuity that had prevailed for decades.

Groups seeking to establish public broadcasting stations which would be self-funded, self-managed independent organisations made submissions to this inquiry. They also made submissions to two following inquiries, one by the Senate Standing Committee on Education, Science and the Arts into all
aspects of broadcasting and the other by Sir Francis McLean into FM broadcasting. Once the concept of public broadcasting was accepted in principle it was only a matter of time before the wisdom of establishing this type of station was generally accepted. These stations were modelled on the public broadcasting stations which had existed in the USA almost since broadcasting began.

It is worth reiterating that, contrary to popular myth, it was not the reformist Whitlam Labor government that accepted the concept of FM and public broadcasting. Rather it was the previous conservative McMahon Coalition government and Postmaster-General Alan Hulme that embraced the idea, and they did so largely because introducing public broadcasting was cheaper than expanding the ABC. It fell to the Whitlam government to develop the concept and licence the first stations since it won power before its political opponents could put the idea into practice. Indeed it was Labor Minister for the Media, Senator Douglas McClelland who offered the first experimental public broadcasting licences in Australia, under the Wireless Telegraphy Act, in September, 1974. These went to the classical music groups in Sydney and Melbourne, 2MBS-FM and 3MBS-FM and to Adult Education at the University of Adelaide, 5UV (McClelland 1974). All these stations were run by self-funded, self-managed, independent, non-profit organisations. With the dramatic end to the post war economic boom in October 1973 when stagflation hit the Western economies as the OPEC countries of the Middle East suddenly quadrupled oil prices, the Whitlam government was now battling recession and was in no position to offer any kind of funding for many of its reforms, including these innovative new stations (Clarke 1992, pp. 320-321; Brett 1994, p. 8).

Although McClelland’s successor Dr Moss Cass offered experimental licences to twelve tertiary institutions shortly before the dismissal of the Whitlam government by Governor-General Sir John Kerr in November 1975, there was still no legislation enabling legitimate public broadcasting licences to be offered. This had severely restricted the development of the sector. Many city people were frustrated at the lack of diversity in available programs and many country people had no basic services. Public broadcasting was now accepted by many as the solution to the problem of providing those services that would not be commercially viable, without putting a huge burden on the public purse. However, with broadcasting still not a national election issue, very little had happened. Under Labor the tendency was to expand government services. The ABC was expanded with the establishment of 2JJ, the rock music station, in Sydney, and 3ZZ, the community access station, in Melbourne. Ethnic stations, 2EA in Sydney and 3EA in Melbourne were
broadcasting as government run and government funded stations by the time Fraser’s Coalition government took office.

The new government and Minister for Post and Telecommunications, Tony Staley, were anxious to cap this burgeoning government broadcasting expense by encouraging the development of public broadcasting. Staley announced his Public Broadcasting Guidelines in April 1978, and the first offers for legitimate public broadcasting licences were made in May of that year. As a result 26 valid public broadcasting licences were issued. But Staley was distracted by other matters including the introduction of commercial FM broadcasting in 1979, and there were no further public broadcasting licences issued while he was minister (Edgar 1978, p. 4; Barr 1980, p. 145).

In the metropolitan areas pressure was mounting for local community stations (Broadhead 1994; Killorn 1994; Scambary 1994), and in some rural areas broadcasting was, for the first time, becoming an election issue as they still lacked any basic local radio service. Fortunately the Department not only changed its name but also its minister (Brown 1989, p. 464). Minister for Communications, Ian Sinclair, was a member of the Country Party and was very much aware of the demand for more broadcasting services among his constituents (Westerway 1997). During Sinclair’s term as minister, public licence applications were called for eleven stations in regional and rural areas, in some places providing their first decent basic radio service ever. Sinclair was not only aware of the demand in ‘the bush’, he was also mindful of the pressure for local community stations in metropolitan Sydney, during a by-election in the marginal federal seat of Lowe (Scambary 1994). On 14 February 1982, during the election campaign, Minister Sinclair announced that applications would be invited for nine Sydney suburban stations (Anon 1982).

By the end of Sinclair’s term as minister public broadcasting was established as a third sector of broadcasting in Australia, filling a gap in services that had always existed with the ABC and commercial stations being the sole providers. A major reason why this unsatisfactory situation had lasted so long was that broadcasting has never been a national election issue in Australia. When pressure did come, as has been shown in country areas and metropolitan Sydney, it was in individual electorates, not the nation as a whole. The licences issued reflected this situation. Sinclair did not offer licences in metropolitan Melbourne, because, as he admitted himself (1982), the pressure was not there at that time.

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Australian government broadcasting policy: continuity and change leading to the development of public/community broadcasting.

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