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BUDGET LICENCE FEE CHANGE

The Federal Government's decision to reduce television broadcasting licence fees from 4.5% of gross revenue to 3.375% recognises that the existing licence fee regime is unsustainable.

However, the size of the cut is disappointing and there is no clear path forward to meaningful reductions.

Free TV Chairman, Harold Mitchell AC has described the reduction as a modest first step.

Mr Mitchell said, "We appreciate that the Budget delivers a small permanent reduction in licence fees however, we are concerned that the Government hasn't acknowledged that these changes are urgent.

"In the new media environment, the government can't afford to be complacent. We need to act now to make sure broadcasters can continue to invest in great Australian programming and in transforming our businesses.

"The pace of change is unrelenting and licence fees must be reduced to international best practice levels without delay."

Commercial free-to-air broadcasters invest over \$1.5 billion in Australian content annually and support over 15,000 jobs directly and indirectly across the Australian production sector.

Mr Mitchell added, "We will continue to work with the Government and the Parliament to ensure the public interest in a strong and healthy free-to air broadcasting sector."

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