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Media Release
7 February 2010

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Free TV welcomes recognition of industry role in delivering Australian Content.

Free TV Australia today welcomed the announcement by the Rudd Government that it will provide licence fee rebates to protect Australian content on commercial television.

Ms Julie Flynn, Free TV CEO said, "The licence fee rebates are a timely recognition of the key role played by commercial broadcasters in delivering Australian content on television.

"The recent success of programs such as Packed to the Rafters, Underbelly and Masterchef highlight the broadcasters' continuing commitment to providing Australian viewers with quality local content. It also demonstrates the continued affection of Australian viewers for these programs."

Flynn adds, "Free TV broadcasters are the major underwriters of Australian content despite the challenge of competing media platforms and fragmenting audiences.

"But it is clear that as we moved to a converged media environment the basis for the old system of licence fees needs to be reviewed. The existing system has been in place since 1964 and has not been reviewed since 1987, said Flynn.

Independent analysis by Venture Consulting shows Australian broadcasting licence fees are out of step with international best practice when compared with other countries whether measured as a percentage of industry revenue, a percentage of GDP or on a per capita basis. Refer attached chart.

"The rebates announced by Communications Minister Stephen Conroy will allow Free TV broadcasters to continue their level of commitment to Australian content as we make a successful transition to digital only services."

Flynn said, “Free TV is committed to working with the government to ensure that all Australian viewers receive the benefits of digital free-to-view television including better quality pictures and sound and more choice for free.”

**For media enquiries please call Free TV Australia on 02 8968 7100
or Julie Flynn on 0408 455 456.**

International TV Licence Fee Comparisons

	Australia	UK	Canada	New Zealand	USA
FTA Industry LC Fees	282,000,000	36,300,000†	29,780,000 ††	723,000*	18,607,125
FTA Industry A\$ Fees	282,000,000	65,880,200	31,460,000	597,500	21,265,300
Population	21,779,000	61,113,000	33,487,000	4,213,400	307,212,000
\$ per head	\$12.95	\$1.08	\$0.94	\$0.14	\$0.07
A\$m GDP	1,095,624	3,017,143	1,726,857	146,857	16,297,000
GDP %	0.025%	0.000002%	0.000018%	0.000009%	0.0001%
FTA Industry rev (LC '000s)	3,625,300	2,461,000	2,171,000	654,000	46,385,364**
FTA Industry rev (\$A '000s)	3,625,300	4,466,424	2,293,471	540,496	53,011,845
Licence fee % of Industry rev	7.779%	1.475%	1.372%	0.111%	0.04%

† A small portion of the UK licence fee figure is estimated due to Group level reporting by Channel 5

†† Canadian licence fees are estimated based on information from the Canadian Radio-Television Telecommunications Commission

* - Licence fees exclude spectrum acquisition costs

** - US revenue figures are sourced from the Television Bureau of Advertising.
Compiled October 2009.