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Spectrum Review – Potential Reform Directions Consultation Paper

Fairfax Radio Network controls 7 metropolitan commercial radio licences including prominent talk radio stations 3AW Melbourne, 2UE Sydney, 4BC Brisbane and 6PR Perth; FM music station 96FM in Perth and AM music stations Magic 1278 in Melbourne and Magic 882 in Brisbane. All Fairfax Radio Network stations are simulcast on DAB+ and online and Fairfax operates the successful DAB+ only station, NTS (News Talk Sport). Fairfax Radio Network is 100% owned by Fairfax Media Limited (Fairfax).

Fairfax welcomes the opportunity to respond to the 'Spectrum Review, Potential reform directions' consultation paper (the **Consultation Paper**) released in November 2014.

Fairfax supports the broad principles for reform set out in the Consultation Paper.

It is important to Fairfax that the rights of existing licence holders and spectrum users (for example, Fairfax Radio Network) be maintained and supported as part of any potential reforms. Whilst Fairfax supports more efficient use of spectrum, we would not support a diminution of existing rights or ability to effectively commercialise spectrum under our existing licences.

With regard to the reform proposal set out in the Consultation Paper generally, Fairfax is supportive of the general concepts however requires further information on the scope of new powers and practical implications for the industry in order to comment in more detail. This might be dealt with through industry briefings and/or consultation to work through the proposed reforms.

Many of the reform proposals include increasing the discretionary powers of the Minister and/or the Australian Communications & Media Authority (ACMA). Whilst Fairfax supports the flexibility that such discretion may provide, it is also important for consistency and certainly that the scope of such discretionary powers be clearly defined and the practical implications for the industry be discussed and canvassed.



For example, proposal 1 provides for proposed Ministerial direction power with regard to spectrum management. Fairfax is not unsupportive of this, however any such power should require prior industry consultation, especially where such direction is inconsistent with the ACMA annual work program and its underlying principles.

Fairfax has no specific objections to proposals 2, 3, 4, 5, 7, 8 and 9, subject to further details being made available, existing rights and certainty for incumbent spectrum users being maintained.

Proposal 6 provides for the ACMA to collect substantially more data from spectrum users and the industry. Fairfax submits that the following factors be considered in the context of this proposal:

- 1. the administrative and cost burden on spectrum users in information gathering and reporting, which is already significant; and
- 2. the commercial and competition issues around an 'open data approach' which may be damaging to the commercial interests of spectrum users in challenging market conditions.

Without more information about the nature of the information requested and the purposes behind its collection, it is difficult to provide further commentary. However, Fairfax would not support such reform without consultation and prescriptive boundaries around such powers and the nature of information to be collected. Discretionary powers in this area could be very detrimental to the commercial interests of the industry.

With regard to Proposals 10 and 11, Fairfax is keen to see more detail about the proposed changes, which offences are affected (proposal 10), and how these changes will look in practice before commenting further. Fairfax is supportive of the concept of creating higher value uses for spectrum.

Fairfax welcomes the opportunity to discuss this response and the proposed reforms further with the Minister and/or the ACMA and looks forward to seeing more detail around the proposed reforms.

We look forward to continuing to participate in the review and to ask that we are kept aware of the next steps in the process.

With regards

Sarah Tinsley Senior Legal Counsel Fairfax Radio Network