

COMMUNITY RADIO IN A GLOBAL CONTEXT:

A COMPARATIVE ANALYSIS

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Both authors are founder members of the Radio Studies Network, which aims to bring together academics, broadcasters and others interested in radio.

For further information, see:

<http://www.jiscmail.ac.uk/lists/radio-studies>

INTRODUCTION

This report was commissioned by the Community Media Association (CMA) to suggest criteria for the establishment of a community radio sector in the United Kingdom. The report compares the legal and regulatory frameworks for community radio in Australia, Canada, France, Holland, Ireland and South Africa. It contains recommendations as to the optimal legislative and regulatory model for the development of community radio - including licensing and economic models – for the UK.

The report includes a comparison across the six countries of the following factors:

- Definitions of community radio in law and regulation
- Licensing systems for community radio services
- Frequency allocations and associated technical constraints
- Economic bases of the community radio sector and rules on funding sources
- The sector in the context of the wider media landscape
- Social characteristics – programming, audiences, staff and supporters

The study behind this report was desk based and included:

- Analysis of legislative texts
- Analysis of regulators' rules, guidelines and statements
- Interviews with regulators
- Interviews with community radio practitioners
- Academic publications on community radio
- Press articles and other reports on community radio

Background

The CMA began life in 1983 as the Community Radio Association. In 1997 it changed its name to allow for community TV, and to reflect the changing media environment and incorporation of new media technologies that might be used for community building purposes. Since its inception it has been fighting for the right to broadcast community radio. Finally, in the UK, after years of lobbying, the opportunity to change the broadcasting legislation and allow for a 'third tier' of radio broadcasting has arrived.

The 1990 Broadcasting Act in the UK was seen by some as providing scope for

small-scale 'community' radio in the UK. Its emphasis on broadening choice and improving opportunities was heralded as an invitation to aspirant independent local broadcasters. However, no separate tier of community radio was established or legislated for, and what the CMA would define as 'community' groups were required to bid against commercial applicants for commercial licences. Those few community groups that succeeded in obtaining a licence to broadcast were then, with one or two exceptions, exposed to the threat of commercial take over within a very short space of time. There existed no legislative protection for such services in a commercial radio market. The terms of their licences offered them no protection for their community focussed objectives.

A handful of community radio services have held commercial licences over the years, but the vast majority of community broadcasters have either broadcast illegally or with temporary licences for up to one month at a time (Restricted Service Licences – RSLs). Cynics could argue that, with its promise of broadening choice and increasing opportunities, the 1990 Act was a deceptive piece of legislation that has, after all, led to increased concentration of ownership and a shrinking number of local radio formats.

The Access Radio pilot project

The Government's communications White Paper published in December 2000 sought views on the future development of community media in the UK. The Radio Authority is now preparing to invite up to 12 groups to take part in an Access Radio pilot project. This pilot will begin in January 2002 and will be used to evaluate the viability of an Access Radio sector. If this form of radio licence is established by OFCOM (the future communications regulator in the UK), the pilot project will be used to advise them on the form that such licences should take.

For the pilot project the Radio Authority has defined Access Radio as follows:

- Projects must demonstrate evidence of social gain and/or public service aims;
- They must be a small scale neighbourhood scheme or designed to serve a community of interest;
- They must be funded either by a mixture of commercial and non-commercial funding, or through non-commercial funding alone;
- They must be not-for-profit or non-profit distributing;
- They must be ring fenced in terms of ownership and operation from Independent Local Radio (ILR) and must be distinct from ILR;
- They must be targeted at and focussed on serving the specific neighbourhood or community of interest in question; and,
- They must provide opportunities to allow the widest possible access among those within the target group to the operation of the service.

The RA hopes that the pilot will attract a diverse range of applicants so that various locations, models and services might be tested. Both AM and FM bands will be

utilised during the pilot. Successful applicants for licences will be awarded special Restricted Service Licences which will allow them to broadcast as 'Access Radio' services for between 3 months and 12 months.

The RSL scheme that has been in operation since the 1990 Broadcasting Act has provided a valuable opportunity to aspirant community broadcasters. Although many RSLs have been operated by commercial concerns, others have been utilised by community groups and provided an important training ground and valuable broadcasting experience. While many community groups have struggled to operate even 28-day licences and are probably not in a position to take up full time licences, others have developed strong volunteer bases and attracted local Government and EU funding.

These stations have proven their ability to operate effectively and provide an important community service in the short term. These are the stations likely to take up the newest opportunity offered to them by the pilot project.

Recommendations

Whilst the pilot project will provide valuable information for OFCOM, this report makes additional recommendations as to the model that should be developed in the UK. The recommendations relate specifically to a permanent tier of community licences. This report makes 13 recommendations which are outlined below and discussed in more detail in the final two chapters of this report.

1. The new tier of stations should be called *Community Radio*.

The debate about the introduction of community radio in the UK has become the debate about 'access radio'. This term was chosen deliberately by the Radio Authority (RA) who felt that 'access' was the best description of the type of service that they envisaged. In this report we challenge the use of 'access radio' and recommend the use of the term 'community radio'. The term 'community radio' is an appropriate and universally understood term and it is our recommendation that non-profit distributing stations with participatory management structures, should be described in legislation and elsewhere as Community Radio.

2. The stations should be non-profit-distributing, with clearly identifiable links to the communities they are licensed to serve

Based upon our research we recommend four guiding principles for a community radio model for the UK. They are that community stations should be:

- Explicitly constituted as 'not-for-profit';
- Designed to serve specific communities – both geographically-based and 'communities of interest';
- Having management structures that are representative of the communities that the station is designed to serve;
- Providing programming that is relevant to the community being served.

These four guiding principles provide a clear definition of the purposes of Community Radio stations, which distinguish them from other radio services, and should in our view be used as the benchmark criteria when allocating licences in the UK.

3. Management of the stations should be the responsibility of a representative body, which draws its membership from across the community being served.

Community management and ownership of stations must be an established aspect of legislation, as it is in other countries, so that stations maintain both their relevance to and control by the communities they serve rather than outside interests.

4. All groups explicitly constituted as 'non-profit distributing' should be encouraged to apply for licences.

The non-profit distributing aspect of community radio is essential in order to ensure that stations maintain their difference to commercial radio services and broaden choice in local radio listening. It is our view that commercial groups should be explicitly prohibited from holding these new licences – which would mean that only those groups which wholly conform to the four guiding principles listed above, and in particular to the restrictions on profit distribution, would be eligible.

5. Licences should be issued for eight years, and be non transferable.

It is our recommendation that subject to a full evaluation of the trial licensees, Community Radio station licences should be issued for eight years, in line with existing practice relating to the award of ILR (Independent Local Radio) licences.

6. Stations are responsible for providing on-going training and support to their staff – both volunteers and paid.

It is expected that each station should be obliged to conduct regular training activities in order to increase the skills base available to the station, and to enhance media literacy within the local community.

7. There should be a plurality of funding sources, subject to no more than 50% of income coming from any single source.

It is our view that the UK model should be based firmly on a mixed funding approach with no more than 50% of income coming from any single source (for example, commercial revenue). As we show in our comparative analysis, a diversity of funding provides stations with the strongest possible financial basis on which to operate. It avoids over-reliance on a single source of income, such as grant aid, whilst at the same time offering a degree of financial security, through the provision of recurring funding.

8. Stations should be permitted to carry advertising, as long as this relates specifically to the community which the station is licensed to serve.

To ensure the maintenance of important connections between the local community and the station which serves it, we propose the following restrictions related to advertising. Community radio stations may only broadcast advertisements that specifically relate to:

- *work* opportunities which exist in the specified area;
- *events* which are to occur in the specified area;
- *businesses* which are carried on in the specified area;
- *services* which are delivered in the specified area.

Subject to these provisions, and the 50% rule referred to above, we believe there should be no other restrictions applied to Community Radio stations, beyond those that already exist for commercial stations.

9. There should be a *Media Fund*, to provide start-up and continuing funding on an annual basis.

An element of secure ongoing funding is vital to ensure the success of the sector. The Radio Authority has recommended that a Radio Fund be established and that the best source of income for this fund would be the revenue drawn from the cash-bids and the percentage of qualifying revenue paid by commercial national broadcasters. We recommend that this should be extended to include radio and television broadcasters, and that the Fund should be a *Media Fund*, not just a *Radio Fund*.

This cross-media approach is in line with the increasing convergence that is already taking place in the media industries, and also in the proposed new regulatory authority OFCOM. We also support the Radio Authority's view that the Fund should be used as not only for 'seed corn' money to fund the start-up costs of the stations, but also to provide on-going revenue support. Each station could be invited to apply to the Fund on an annual basis, subject to the presentation of audited accounts, and a detailed budget.

10. Wherever possible all stations should broadcast on FM frequencies.

All the evidence demonstrates that for this sector to be successful it needs to be freely available within the specified broadcast areas (which may be tightly limited – 5 miles radius for geographical communities) – thus, FM is the best solution.

As other delivery methods – such as Digital Broadcasting - become more widely available to listeners, it will prove necessary to review this situation, but in the first instance, it is recommended that wherever possible FM frequencies should be made available to applicant groups, with the possibility of AM only for those that wish to make use of it where no suitable FM frequency exists.

11. Frequency sharing should be considered as an option.

Whilst we believe that in general the term 'Access Radio' is misleading, one aspect

of the 'access' model that may prove useful is the opportunity for some community groups to share a single frequency.

This is most likely to be workable in urban situations, where a single station may have within its broadcast area several distinctive 'communities of interest', for example, groups which share cultural, social, or linguistic factors in common. Some of these groups may lack the resources or desire to broadcast on a full-time basis, but would welcome the opportunity to be able to broadcast for a few hours each week at clearly defined and publicised times.

12. The existing RSL scheme should continue and be further developed.

The UK RSL scheme has been highly successful in enabling a hugely diverse range of groups to broadcast for short periods of time. Some community groups do not require a permanent licence but would wish to continue to broadcast under the RSL scheme. Other groups will benefit from the RSL scheme as a trial for a permanent licence application in the future.

13. There should be a department within OFCOM with specific responsibility for community media.

We argue that it is not appropriate to lump together commercial and community broadcasters – whose aims and aspirations are quite separate – and that there should be a department within the new regulatory body with specific responsibility for community media.

14. Government funding should be made available for the trial scheme to be properly evaluated, and to conduct audience research appropriate to the sector.

There is a need for comprehensive evaluation and continued research. The scale of this study is limited due to economic and time constraints, but it demonstrates the benefit of extending this kind of research over the next two to three years. Whilst many facts about community radio in the six countries examined are presented in this report, it is worth noting that the information the study sought was rarely easily or centrally accessible in any of the countries examined, with the exception of Ireland which has carefully evaluated its recent community radio pilot. Financial information on the sector was especially difficult to uncover. This emphasises the need to put in place a system of evaluation for pilot stations in the UK. Furthermore, once permanent licences are established it will be of great benefit to the short and long term development of the sector to ensure that comprehensive and standardised information is collected and archived centrally.

The structure of this report

This report consists of 8 chapters. Following this introduction chapters 1 - 6 explore the models for community radio in each of the six countries. Information on each country is presented under the following headings:

1. Definitions of community radio in law and regulation

2. Licensing systems for community radio services
3. Frequency allocations and associated technical constraints
4. Economic bases of the community radio sector and rules on funding sources
5. The sector in the context of the wider media landscape
6. Social characteristics – programming, audiences, staff and supporters

Chapter 7 presents a comparative analysis of the information provided on the six countries. It is concerned in particular with indicating which aspects of community radio in the six countries are particularly relevant to the UK.

The final chapter – chapter 8 - presents our discussion and recommendations.

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Disclaimer:

The views in this report are our own. The report does not necessarily reflect the views of Queensland University of Technology, Thames Valley University, London, or the Community Media Association.

CHAPTER ONE – AUSTRALIA

1. Definitions of community radio in law and regulation

Community Radio in Australia, previously called Public Radio, has been a licensed tier of radio broadcasting since the mid 1970s. The Broadcasting Services Act of 1992 allows for six types of broadcasting services in Australia,

- National broadcasting services
- Commercial broadcasting services
- Community broadcasting services
- Subscription broadcasting services
- Subscription narrowcasting services
- Open narrowcasting services

The broadcasting regulators - the Australian Broadcasting Authority (ABA) - interprets the Act and distinguishes community broadcasting services (which include radio and television) from other services in that they:

- are not operated for profit or as part of a profit-making enterprise;
- are provided for community purposes;
- represent a community of interest;
- comply with the community broadcasting codes of practice;
- encourage members of the community served to participate in the operations of the service and the selection and provision of programmes;
- are prohibited from carrying advertising, but may broadcast up to 5 minutes of sponsorship announcements per hour;
- must continue to represent the community represented at the time the licence was allocated.

In addition, the Act stipulates that community services must provide programs that can be received by commonly available equipment, and are made available free to the general public.

Community broadcasting code of practice

The Community Broadcasting Association of Australia (CBAA) established a code of practice for community broadcasting licences. The code incorporates the objects of the Act along with other matters that are of concern to the wider community. The code was written in consultation with community broadcasting groups and was

registered by the Australian Broadcasting Authority in 1995.

The code covers eight areas:

1. *Responsibilities of broadcasting to the community*

This code defines the unique philosophy of community broadcasting in order to ensure that the principles of diversity and independence are maintained and reflected in day-to-day operations and programming. Responsibilities include:

- broadcasting in the public interest as defined in the licensees' application;
- having organisational mechanisms for active community participation in management, development and operations;
- being controlled and operated by an autonomous body who are representative of the community served;
- operating on a non-profit basis;
- demonstrating independence in programming, editorial and management decisions;
- incorporating programming policies which break down prejudice on the basis of race, sex, nationality, religion, disability, ethnic background, age or sexual preference;
- establishing programming practices which protect children from harmful programme material;
- presenting programmes which help to expand the viewpoints broadcast and enhance the diversity of programming choices available in Australia;
- seeking to widen community involvement in broadcasting and encourage participation by those denied access and those not adequately served by other media.

2. *Guidelines for general programming*

This code seeks to break down prejudice and discrimination and prevent broadcasting of materials that are contrary to community standards, government regulations and the principles of community broadcasting. It includes:

- prevention of broadcast materials which incite violence, simulate news in misleading ways, or present as desirable the misuse of drugs;
- avoidance of censorship (with certain considerations);
- prevention of broadcast materials which stereotype, incite, vilify or perpetuate hatred against any person or group on the basis of ethnicity, nationality, race, gender, sexual preference, religion, age or disability;
- news and current affairs programming should provide access to under-represented views, present factual materials accurately and fairly, avoid misrepresentation through misleading analysis or editing, respect the right of individuals to protection from unwarranted invasions of privacy.

3. *Australian music content*

This code sets minimum requirements for the broadcasting of Australian music by community services. This is not a requirement of the Act, but is seen as important given the traditional role and reputation of community stations that develop,

recognise and promote Australian composers and performers by providing opportunities for the regular broadcasting of their material. In addition broadcasting stations are asked to show regard for the make-up of the communities they serve in their selection of Australian music. They are asked to ensure that over a one month period,

- not less than 20 per cent Australian music items are provided on stations with diverse formats serving the general community
- not less than 10 per cent for ethnic and classical stations.

4. *Sponsorship*

This code is designed to ensure that the community actively participates in station management, development and operations by requiring sponsorship policies that not only reflect the sponsorship conditions set out in the Act but also:

- ensures sponsorship will not be a factor in determining access to broadcasting time;
- ensures content and style of programmes and overall programming of stations are not influenced by sponsors.

5. *Volunteers*

This code reflects the community broadcasting sector's reliance upon volunteers and protects their rights by requiring each station to have guidelines in place which outline the principles of volunteering and the rights and responsibilities of volunteers within each organisation.

6. *Conflict resolution*

This code prescribes methods of dealing with disputes and conflict resolution within community broadcasting organisations. Licensees are required to have mechanisms that facilitate conflict resolution conscientiously and promptly within their organisation. In the case of unresolved disputes licensees are required to seek alternative resolution such as mediation or arbitration.

7. *Handling complaints*

This code prescribes the manner in which complaints and comments from members of the public are dealt with. Amongst the requirements, licensees must:

- acknowledge the rights of their audiences to comment and make complaints concerning compliance with the codes of practice, conditions of the licence, programme content and general service;
- provide regular on-air information about the Community Broadcasting Codes of Practice and how they may be obtained;
- make every reasonable effort to resolve complaints;
- make appropriate arrangements to ensure that complaints will be received by a responsible person during office hours, they will be conscientiously considered, investigated and responded to as soon as possible, and they will be promptly acknowledged and answered within six weeks;
- in the case of dissatisfaction with the licensees response, they will advise complainants of their right to refer the matter to the ABA;

- keep a record of complaints and annually provide the ABA with a 'notification of complaints'.

8. *Review of codes*

This code ensures that all codes are maintained, and, where necessary revised to accurately reflect contemporary community broadcasting principles. The codes will be reviewed periodically by the CBAA in consultation with the community broadcasting sector to ensure accuracy and relevance. Prior to any changes in the codes the CBAA will consult with the ABA and seek a majority vote of community stations along with public comment.

Temporary community broadcasting licences

Temporary community broadcasting licences are available to aspirant community broadcasting groups following an amendment to the Act in 1997. These licences can run for a maximum of twelve months. They cannot be renewed but a licensee may make an application for a new licence prior to the expiration of their existing licence. Licences may allow for continuous broadcasting or shared airtime depending on the availability of frequencies and the demand. If no frequency is available no licences will be granted. There are approximately 140 temporary licences currently in operation. The amount of temporary licence take up by aspirant groups is likely to decrease over the next few years as the ABA planning process comes to an end and fewer frequencies are available for aspirant groups.

2. Licensing systems for community radio services

Within the Australian Government the department responsible for broadcasting is the Department of Communications, Information Technology and the Arts. This Department has a Public Broadcasting Branch; within this branch is a Community Broadcasting Section.

The Australian Broadcasting Authority (ABA) is the independent federal statutory authority responsible for the licensing and regulation of the broadcast industry in Australia. In recent years there has been a process of deregulation so that now the broadcasting sector is largely self-regulated. A term used by some is that of 'co-regulation'.

Planning broadcasting services

The ABA is required by the Broadcasting Services Act 1992 to ensure economic and efficient use of the radio frequency spectrum for broadcasting purposes. Since the Act the ABA has been undertaking an extensive national planning programme to identify vacant radio and television channels and allocate new licences. The planning process has three stages: the determination of planning priorities; the preparation of a frequency allotment plan (FAP); and the preparation of licence area plans (LAPs).

In 1993 and 1994 the ABA made public its planning priorities (the order in which the ABA is planning broadcasting spectrum in different parts of Australia, generally prioritising geographical areas least well served by existing services) and the frequency allotment plan or FAP (which identifies channel capacity in particular areas of Australia). The ABA prepares licence area plans (LAPs) in accordance with its planning priorities. The LAPs identify how many, and what character of licences can be made available in each particular area of Australia. Once each LAP is prepared, the ABA is able to make licences available. The nature of those licences are determined by available frequency and perceived public need. The ABA is required by the Act to make provision in the planning of services for public consultation.

The ABA defines a licence area as a population within a geographically determined area and draws upon census data. However, where 'community-of-interest ties' indicated by applicants are persuasive, the ABA may vary a licence area for a community broadcasting licence.

Advertisement and allocation of community licences

When a LAP makes a community service available in an area the ABA invites applications through local newspaper advertisements. Applicants must complete an application form and submit it by a specified date, usually 28 days from the date of the advertisement. There are restrictions on who may apply for a community licence – the group must be an incorporated association or a company limited by guarantee and must represent a community interest. The application must demonstrate that the proposed service will meet local community needs, will conform to the codes of practice and the applicant must demonstrate the ability to provide the service.

In assessing the applications the ABA will consider the information provided by the applicant, the information gathered during the LAP process, written submissions from interested parties and any other information they regard as relevant. Applications will be made available in the local area once the closing date has passed and are available for viewing on the ABAs website. Information from temporary broadcasts will also be considered where appropriate, and public hearings are sometimes held although they are not routine. Access to the spectrum is free to community broadcasters.

In some cases the ABA receives a direction from the Minister regarding what sort of community interest to prioritise in a particular area. In such a case the ABA will prioritise applicants meeting those criteria over others. Any such directions will be included in the advertisement of the licence and applicants invited to state how they meet the specified criteria. Applicants are also invited to include in their application census data, research reports and/or surveys, membership numbers of their organisation and letters of support from local organisations.

Applications are then assessed under the following headings:

- The extent to which the proposed service would meet the existing and perceived future needs of the community within the licence area;
- The nature and diversity of interests of the community within the licence area of the proposed service;

- The nature and diversity of other broadcasting services available within the licence area;
- The capacity of the applicant to provide the proposed service (management, financial, technical);
- The undesirability of one person being in control of more than one community broadcasting licence that is a broadcasting service bands licence in the same licence area; and
- The undesirability of the Commonwealth, a State or a Territory or a political party being in control of a community broadcasting licence.

At the end of this process a licence is awarded, although in some cases the ABA may decide not to award a licence. Licences are awarded for a period of five years and renewals applied for no earlier than one year and no later than 20 weeks before a licence expires. Renewals are largely automatic without public hearing although the ABA is required to publish the fact that it has received a renewal application.

Definitions of community: community of interest

Traditionally there are two types of community licence models in operation in Australia - special interest and geographical or broad-based. These distinctions no longer appear in the legislation, although they are still used by the ABA to define 'community' in relation to community broadcasting licences. The ABA prefers a broad definition of 'community' that includes geographical, social, historical and cultural connections. The ABA states that, 'for the purposes of planning community broadcasting services, the term community refers to a group of people who share a common identity, such as geographical location, class or ethnic background, or who share a special interest'. The ABA believes that this equates to 'community-of-interest', which can be used as an inclusive term to include both previously distinguished models of community.

3. Frequency allocations and associated technical constraints

The vast majority of community radio stations in Australia broadcast on FM. When FM was introduced in the early 1970s commercial radio broadcasters were reluctant to change from AM and opposed the introduction of FM. This meant that community stations became the pioneers of the FM waveband. Of the 206 community stations licensed currently, fewer than 5% broadcast on AM.

The ABA determines the coverage area for a proposed licence through its planning process (described above). Technical specifications which are generally non negotiable are drawn from the LAP, including frequency and maximum radiated power. Applicants include their own technical specifications intended to provide the best coverage for the intended broadcast area in line with the technical planning guidelines proscribed by the LAP. Community stations tend to have lower effective radiated power levels than commercial and public stations. This reflects both their desire to serve local communities and financial constraints.

In addition to their broadcasting service licence all on-air stations must hold a

transmitter licence under the Radiocommunications Act 1992. The Australian Communications Authority delegates the power to issue transmitter licences to the ABA. The transmitter licence effectively sets the technical operating parameters for a service.

4. Economic bases of the community radio sector and rules on funding sources

Community broadcasters are not permitted to take advertising. They are, however, permitted to broadcast up to 5 minutes in any one hour of sponsorship announcements. There is funding from the Commonwealth Government that comes through the Department of Communications, Information Technology and the Arts (DCITA) and is distributed by the Community Broadcasting Foundation Ltd. (see below).

In 1999/2000 over \$5 million were distributed to community radio in this way. This will have made up between 7-10% of the sector's total operating revenue. Many stations do not receive any of this funding. The fully licensed stations had an estimated turnover of \$38 million in the same year raising the vast majority of its operating revenue from sponsorship (the largest income generator), subscriptions, membership fees and the sale of airtime. The CBAA estimates that sponsorship revenue makes up 46% of the sector's income. Membership and subscriptions make up around 20% of the sector's income and is a well established income generator. Sale of airtime generates around 10% of the sector's income.

Because of the range of stations in terms of size, location and audience there is a vast difference in both funding required to operate stations and ability to secure funding. The sector as a whole can be described as economically impoverished yet many stations are doing well, especially larger stations in metropolitan locations. The average turnover of community stations is estimated at \$175,000 per year. The average turnover for metropolitan and sub-metropolitan stations is estimated at \$281,000 per year whilst the average for regional and remote stations is estimated at \$102,000 per year. Some rural and remote stations operate in a completely voluntary capacity and have turnovers of less than \$50,000 per year. Others, in metropolitan areas with a citywide coverage have many full time paid staff, large volunteer bases and turnovers in excess of \$1 million.

Over the past seven years the Australian Broadcasting Authority has been undertaking a frequency planning exercise (see above) that has resulted in unprecedented growth in the numbers of licences available to both community and commercial broadcasters. In this time the numbers of community stations broadcasting has almost doubled in size from around 120 in 1992 to around 200 today. In addition, there are 140 temporary community broadcasters in operation. The current expansion rate is around 10% per year and it is estimated that there will be 300 licensed community stations by 2005. This growth has not been matched by a proportionate increase in core funding and the numbers of stations receiving no grant aid is increasing. Some believe that the greater competition for funds may result in better programming as only those that produce good audience ratings will survive; others are concerned that it will result in a blurring of the distinction between community stations and commercial stations. Some stations, such as some remote regional and some Indigenous services, because of the nature of their

operations, will probably always require some financial grant aid, whilst others are responding creatively to the need for increased self sufficiency in income generation. Audience research is seen as an area that will help such stations to increase their sponsorship revenue generating capacity.

The Community Broadcasting Foundation Ltd.

Australia has an independent funding body for community broadcasting, the Community Broadcasting Foundation Ltd. (CBF). Established in 1984 the CBF is an independent, non-profit funding body whose primary aim is to act as the funding agency for the development of community broadcasting in Australia. The CBF receives an annual grant from the Department of Communications, Information Technology and the Arts plus a smaller grant from the Aboriginal and Torres Strait Islander Commission. It is independent from the Government and from the community broadcasting organisations that it funds. It includes on its Board and in its advisory committees people who have working experience of the sector. The Government determines the proportion of their annual grant that should be allocated to general community broadcasting and to the different sub-sectors of community broadcasting according to social justice and access and equality criteria. No funding is currently given to community television.

The CBF assesses applications for funds and distributes grants for development, programming and infrastructure support in 4 main categories:

1. Aboriginal community broadcasting
2. Ethnic community broadcasting
3. Radio for the print handicapped
4. General community broadcasting and CBF operations

The CBF also supports general sector co-ordination and policy development.

The Secretariat of the CBF consists of an Executive Director, a Grants Administrator and an Administrative Officer. Within the CBF are Grant Advisory Committees (GACs) whose members are elected by the community broadcasting sector's representative bodies. They meet twice yearly to assess applications for funding and make funding recommendations to the Board.

The CBF has a board of directors with 7 members. They meet quarterly to formulate policies, consider and approve the GACs recommendations for grant funding and to direct the Secretariat to implement policies.

For 1999/2000 the Commonwealth Government funding to the CBF totalled \$5.061 million (Australian dollars). Of this \$4.191 million was for recurrent funding in support of Aboriginal, Ethnic, Radio for the Print Handicapped and general community broadcasting. For 2000/2001 funding is \$5.4 million, of which \$3.39 million is recurrent funding.

The CBF solicits and administers other grants for special projects as the Government introduces new policy initiatives. For example, it administers grants for

the Australian Ethnic Radio Training Project (AERTP) and for the Contemporary Music Initiative for community broadcasting which is managed by the CBAA.

5. The sector in the context of the wider media landscape

In Australia the Public Service Broadcaster is the Australian Broadcasting Corporation (ABC). The ABC has 4 national network stations, an international service, 9 metropolitan and 48 regional stations. There are 241 commercial stations, 108 on AM, 133 on FM.

Public service and commercial radio have existed alongside one another since radio became a mass broadcasting medium in Australia. The ABC was influenced by the BBC whilst the commercial sector took its lead from American commercial radio. The call for independent community radio in Australia began to be heard in the 1960s. It was in the mid 1970s that a third tier was finally created. This coincided with the introduction of radio broadcasting on the FM spectrum which community radio largely pioneered. The majority of the early community stations were generalist in nature and based in Universities. Today around 200 fully licensed community stations exist in Australia, and around 140 temporary stations run by aspirant community broadcasters. Community radio services and local ABC services are likely to be the only ones available in the more remote regions of Australia.

6. Social characteristics – programming, audiences, staff and supporters

One of the primary purposes of community radio in Australia is to meet the directive of the Broadcasting Services Act 1992 to encourage diversity in Broadcasting and reflect the diverse nature of Australian society. Community broadcasters are required by the Act to widen the community's involvement and participation in broadcast media, and give access to and serve those denied access or not served by other media. As well as generalist community stations (which account for over 60% of stations) the sector fulfils this requirement by serving 'communities of interest'. These are:

- Ethnic
- Aboriginal
- Radio for the Print Handicapped
- Religious
- Fine Music.

There have emerged other types of special interest community stations such as a sports station. The majority of stations (around 60%) serve regional areas. 'Regional' refers to areas other than metropolitan and sub-metropolitan. These areas are the least likely to have a range of radio services available to them.

The community radio sector attracts a large amount of volunteers (around 25,000).

Some stations are run on a completely volunteer base whilst others have a mix of paid staff and volunteering. The sector is recognised as providing important training (much of it informal) to volunteers and staff that often provides an access point for careers in mainstream broadcasting.

7. Discussion

Australia has a well-developed 'third tier' of broadcasting. Now over twenty years old, the community radio sector in Australia has gone through many developments and changes. Such an established sector has both its proponents and its detractors. The community radio sector is experiencing a time of rapid growth in terms of the numbers of stations licensed and yet the financial support available through the CBF has not increased in line with this expansion in numbers. While the community broadcasting community generally welcomes the availability of new licences and the growth of the sector it has expressed concern about the lack of increased funding available from the Commonwealth Government. Metropolitan stations that serve large populations have, in general, demonstrated the commercial viability of community stations and some maintain a healthy number of paid staff alongside large volunteer forces.

Regional stations on the other hand are often wholly volunteer run with small income generating capacity. While some stations are generating income through commercial activity, other stations wish to preserve their non-commercial role, still others will always require income supplementation from Government Agencies because of their nature or position. It is precisely this breadth and diversity of the community radio sector that makes it on the one hand a hard to define sector, and on the other a hugely interesting and valuable resource for all Australians. The Broadcasting Act specifically refers to the promotion of diversity in broadcasting services, and the development and reflection of Australian identities and cultural diversity. It also includes the requirement to provide locally relevant programming material. These requirements contribute to the variety and diversity present in the sector.

CHAPTER TWO – CANADA

1. Definitions of community radio in law and regulation

Canada has acknowledged the importance of community radio since the early 1970s and consequently has a well developed, if complex, model for community radio. The Canadian Government's Department of Canadian Heritage is responsible for national policies and programs relating to broadcasting, cultural industries, arts, heritage, official languages, Canadian identity, Canadian symbols, exchanges, multiculturalism and sport. The Department and its policies emphasise the desire to promote and strengthen a shared sense of identity, whilst also recognising and respecting Canada's multicultural and bi lingual status. Among the Department's priorities is the desire to make Canadian choices more diverse and accessible by ensuring that all forms of creative expression and story-telling reflect Canada and the breadth of the Canadian experience, and are accessible to all Canadians. Another priority is to connect Canadians to one another and help Canadians overcome differences and distances to better understand one another and increase appreciation of the values that Canadians share.

It is within this general framework that community radio exists in multiple forms. We might include the following types of radio services in a general definition of community radio:

1. *Community radio*
2. *Campus radio*
3. *Native radio*
4. *Ethnic radio*

Community radio

There are currently around 65 licensed community radio stations. The vast majority of these are French-language services, around half of these operating in Quebec. There are around 10 English language services and a small number of bilingual services. Community stations are operated by non-profit distributing organisations and rely heavily on volunteers for programming and other station operations. The Canadian Radio-Television and Telecommunications Commission (CRTC) regulates broadcasting in Canada and defines community radio as,

“A community radio station is owned and controlled by a not-for-profit organization, the structure of which provides for membership, management, operation and programming primarily by members of the community at large. Programming should reflect the diversity of the market that the station is licensed to serve.”

There are two different types of community stations - type 'A' or 'B'.

Type A licences are for community stations that provide the only private radio

service in English or French in a locality. In some cases, they will provide the only radio station in that market,

Type B licences are for community stations that operate in competition with other private radio services, where at least one other service operates in the same language.

There are some differences in the rules and regulations applying to these two types of licences, mainly in relation to programme content. Type A stations are *expected* to programme at least 15% spoken word in each broadcast week, with an emphasis on community-oriented spoken word. Type B stations are *required* to broadcast at least 25% spoken word in each week with an emphasis on community-oriented spoken word. Community stations, and in particular type B stations, are expected to offer music that is significantly different from commercial services. There are regulations concerning the amounts and types of music that these services must play.

The Commission describes their primary objective for the community radio sector as ensuring that it provides local programming services that differ in style and substance from those provided by commercial stations and the Canadian Broadcasting Corporation (CBC). These services should add diversity to the broadcasting system by increasing programme choice in both music and spoken word by,

1. offering programming that is different from and complements the programming of other stations in their market
2. being different from other elements of the broadcasting system, including commercial stations and stations operated by the CBC.
3. broadcasting varied and diverse music and spoken word.

The CRTC sets out the *role and mandate* of community radio as providing community access to the airwaves and offering diverse programming that reflects the needs and interests of the community served. The programming should include:

1. Music by new and local talent;
2. Music not generally broadcast by commercial stations;
3. Spoken word programming; and
4. Local information.

Campus radio

The CRTC defines campus radio stations as stations owned or controlled by a not-for-profit organization associated with a post-secondary educational institution. The Board of Directors must include balanced representation from among the student body, the associated college or university, station volunteers, and the community at large. All campus stations should provide programming that is complementary, not only to that of commercial stations, but also to that of community stations and other

campus stations operating in the same location. There are around 40 campus stations, the vast majority being based in English language areas of Canada. Campus stations serve the student population and the wider communities in the area.

There are two types of campus stations:

Community-based campus services provide alternative programming such as music not generally heard on commercial stations. The music includes Canadian music, special interest music, as well as styles of popular music seldom broadcast on commercial services. They are also required to provide in-depth spoken word programming and programming targeted to specific groups within the communities served. Students and members of the wider community play an important role in programming. They may provide access and training to members of the wider community as well as to students. The majority of campus radio stations are community-based campus services.

Instructional radio services have similar characteristics to community-based campus stations except that their primary function is to provide a training ground for students in broadcasting courses. They also provide some formal educational programming. Around 6 of the campus radio stations are 'Instructional' radio stations and they tend to sound more like commercial stations than the other forms of community stations (community and community-based campus). There are many regulated restrictions applied to campus stations regarding the amount of types of music they might play each week. These regulations vary for French and for English language services, and for community-based and instructional services. For example, English-language community-based campus stations are restricted to playing a maximum of 10% music 'hits' each week whilst English language instructional services may play a maximum of 30%.

Native radio

Native (or aboriginal) broadcasting in Canada can be traced back to the 1960s. In 1988 there were in excess of 100 native community-based radio stations in Canada, mostly operating in small, remote locations and mostly receiving and re-broadcasting regionally produced and networked native language programming. These services often broadcast in aboriginal languages. Native radio serves specific cultural and linguistic needs of their audiences. It provides native artists, musicians, writers and producers with access to the media. The CRTC considers that the regulatory framework for native broadcasters should be flexible and adaptable to the varying circumstances of each region.

The CRTC requires that native radio stations

- should be owned and controlled by a non-profit organization whose structure provides for board membership by the native population of the region served.
- provides programming in any native Canadian language or in either or both of the two official languages, but should be specifically oriented to the native population and reflect their interests and needs
- have a distinct role in fostering the development of aboriginal cultures and,

where possible, the preservation of ancestral languages.

There are type A and type B native radio stations, defined in the same way as type A and B community stations. The difference between type A and type B native stations is in the amount of advertising they are allowed to carry. Type A stations can carry up to 250 minutes of advertising per day. Type B stations may broadcast an average of 4 minutes of advertising per hour in any one day, with a maximum of 6 minutes in any one hour.

Ethnic radio

There are a handful of ethnic radio stations in Canada. Because of the scarcity of broadcast frequencies the licensing of a single language service to each ethnic group in a given market is not possible. As a result, the CRTC requires each licensee to provide a broadly-based service to all of the ethnic groups within the coverage area of the service. The CRTC seeks assurances from ethnic broadcasters that the needs of smaller ethnic communities and those of visible minority groups are met in their programming. Conditions of ethnic radio licences set out the minimum number of linguistic and cultural groups to be served in localities based on research into the local make up of the communities, languages and community support and expressed needs.

Ethnic radio stations must meet the needs of the local ethnic communities. Five types of programmes are defined,

- A programme in a language or languages other than French, English or native Canadian.
- A programme in French or in English that is directed specifically to racially or culturally distinct groups whose first or common bond language (in the country of their origin) is French or English (such as Africans from Algeria, Mauritania and Morocco; Caribbean Blacks; groups from India).
- A programme in French or in English that is directed specifically to any culturally or racially distinct group whose heritage language is already included in TYPE A (such as those groups who have not retained the use of a third-language).
- A programme using a bilingual mix (French or English plus a third-language from TYPE A) that is directed specifically to any culturally or racially distinct group (such as French and Arabic, English and Italian, English and Punjabi).
- A programme in French or in English that is directed to any ethnic group or to a mainstream audience and that depicts Canada's cultural diversity through services that are multicultural, educational, informational, cross-cultural or intercultural in nature.

Ethnic stations are required to devote not less than 60% of weekly programming time between 0600 and 2400 hours to ethnic programmes of any combination of the first four listed above. The remaining 40% between 0600 and 2400 hours may be devoted to any type of ethnic programs listed above, or to any other type of conventional programming. Conventional radio stations serving the same audience area as an ethnic station have certain restrictions placed upon them regarding the

amount of ethnic programming they may carry.

2. Licensing systems for community radio services

Under the jurisdiction of the Minister of Canadian Heritage, the Department of Canadian Heritage consists of 20 organisations and agencies that together make up the Canadian Heritage Portfolio. The Canadian Radio-Television and Telecommunications Commission (CRTC) is one of 7 departmental agencies. It is an independent regulatory agency responsible for broadcasting and telecommunications.

The Broadcasting Act 1991 empowers the CRTC to establish classes of licence and issue the terms of the licences. The CRTC can specify the types and amounts of specific programming services that each licence category must carry and has established regulations relating to music and speech content for all licence categories.

The CRTC has the task of ensuring that section 3(1)(d)(iii) of the Act which refers to cultural diversity is evident in the broadcasting environment in Canada. The Act states that the broadcasting system should reflect the multicultural and multiracial nature of Canadian society and the place of Aboriginal Peoples. The mandate of community stations is to provide community access to the airwaves and to offer diversity in programming. Programming should reflect the needs and interests of the communities served. Community stations play an important role in reflecting cultural diversity, especially by providing exposure to new and developing artists from minority cultural groups.

The CRTC ensures that community stations play music often ignored by commercial stations. They also ensure that community stations provide spoken word programming that reflects the perspectives and concerns of minority cultural groups. The CRTC also expects community stations to reflect the multicultural make up of the communities they serve in their employment practices.

Applications for licences are judged according to,

- how well they further the objectives of the Broadcasting Act
- how well they serve the targeted audience
- levels of local demand and support
- how the applicant will promote Canadian talent, particularly local and regional
- how the applicant will contribute to the diversity of choices
- the soundness of the business plan and financial base of the proposed service.

The CRTC hears the applications in public and allows for questioning of applicants both by the public and by other applicants.

3. Frequency allocations and associated technical constraints

The Government Department responsible for managing the radio spectrum is the Department for Industry. Community broadcasters predominantly use the FM waveband and tend to broadcast on relatively low power frequencies. Licences run for up to 7 years. In addition to the full licences, there are some very low power frequencies available for community groups on a temporary basis. The CRTC has introduced 'Developmental Licences' so that community groups can use 5 watt licences to establish and build community support prior to application for full licences. They are allowed to sell advertising and the licences run for up to three years.

4. Economic bases of the community radio sector and rules on funding sources

In the early years of community radio in Canada only 'restricted' advertising was allowed. This regulation has been gradually relaxed so that now campus radio can take up to 4 minutes of conventional advertising in any hour, while community stations have no limit. Native stations (of type B) are permitted to take advertising of up to an average of 4 minutes per hour.

Advertising revenue can sometimes, in large urban situations, be substantial although there are concerns that those stations that attract large amounts of advertising revenue often do so by imitating commercial services and thus lose the sense of what community stations should be. Generally, across the sector, advertising revenue does not make up the majority of stations revenue. One estimate given suggests that revenue generated from advertising makes up no more than 25% of the sectors income. The stations that tend to do well from advertising income are the large urban stations. Other stations either are unable to generate sufficient advertising revenue, or chose not to generate income commercially.

Native radio services receive some Government funding through the Department for Indian Affairs. English language stations are largely ineligible for public funding. The Quebec community radio network is well established and the Quebec Government will fund Francophone stations. There are Federal Government funds available for French language stations in English speaking areas, and English language stations in French speaking areas. Funding is generally harder to access for English language stations than for French and Native services. The amount of public funds that are earmarked specifically for radio are limited and stations can have more success applying for arts council, multicultural ministries and Trusts and Foundations funding.

The real 'backbone' of community radio in Canada however appears to be listener support - direct support from the communities served through on-air funding drives. Campus stations have a student levy which is administered differently from station to station. This direct community support points to a strength of the Canadian model – that local communities are prepared to fund their local stations suggests a sense of community ownership.

5. The sector in the context of the wider media landscape

The community radio sector is well established in Canada as a tier of radio that complements and is distinct from the services provided by the Canadian Broadcasting Corporation and commercial radio stations. There are strict and complex regulations concerning the content of all radio sectors, including community radio, which helps to maintain each sector's distinctiveness from the others.

6. Social characteristics – programming, staff and supporters

Community radio in Canada consists of a varied collection of categories reflecting the particular linguistic and cultural diversity of the general population. They have in common the principle of being non-profit distributing, and of providing programming which complement those provided by commercial radio and by the Canadian Broadcasting Corporation.

Community radio in Canada is generally well supported by the communities it serves and draws upon a large number of volunteers. Some large stations draw on a pool of up to 300 volunteers.

The National Campus and Community Radio Association (NCRA) was formed in 1981 and is a non-profit association of organizations and individuals committed to volunteer-based, community-oriented radio broadcasting. The NCRA provides developmental materials and advice and networking services to member stations. It also represents their interests to Government, the CRTC and other agencies.

7. Discussion

Community radio in Canada is a reflection of the multicultural nature of the country and the legislative commitment to reflecting that diversity in its broadcasting. The community sector provides the country with a very important media space to put into practice the aims and objects of the Broadcasting Act. The sector is complex and very diverse in itself, and the sector as a whole, perhaps through this complexity, plays an important role in the everyday maintenance of cultural traditions and diversity.

As with most of the countries examined in this report, funding is a constant problem for the sector. The lifting of restrictions on advertising for community stations may have produced a situation in Canada that the UK might do well to be wary of. One effect of the lifting of restrictions on advertising - which were removed seven years ago - is that Government appears less likely to find funding, believing the sector should now generate income through advertising. This has, some believed, produced a few community stations that act and sound more like commercial stations.

CHAPTER THREE - FRANCE

1. Definitions of community radio in law and regulation

Community Radio in France is one of five categories of 'private' radio recognised in legislation and by the regulatory authorities.

The five categories are:

Category A: Non-commercial - services eligible for the "Fund for the Support of Expression by Radio";

Category B: Commercial Local/Regional services that do not broadcast national programming;

Category C: Commercial Local/Regional services that also broadcast networked programming;

Category D: Commercial National services that broadcast specialist programming;

Category E: Commercial National services that broadcast general programming.

The aim of these categorisations is to guarantee the diversity and balance of radio services available in each region.

The CSA also issues temporary licences in local areas, for a maximum of six months.

Category A stations are local, community, cultural or student services. They are obliged to carry at least 4 hours of specific local programming every day – to be broadcast between 6.00am and 10.00pm. The bulk of the rest of their output should be made up of either non-commercial network programming, or programmes produced by other category A stations.

These stations are limited to gaining no more than 20% of their total income from either advertising or sponsorship. In return for this restriction, they are eligible to get funding from the *Fond de Soutien à l'expression Radiophonique* (Fund for the Support of Expression by Radio – FSER) – [see section 4 for further details]

The community radio sector has developed since the late 1960s and early 1970s, following the example of the pirate ships based in the Channel, and the Italian 'Free Radio' stations. By 1974 a number of stations were operating (illegally) – these included: *Radio Halles, Radio Verte, Radio Libre Nantes, Radio Lazarc, and Radio Active*. Many of these stations were explicitly political, and broadcast material unavailable on the national and regional stations controlled by the French government. At the same time there were stations dedicated to broadcasting specific types of music programming – especially rock and disco. These first stations faced jamming of their frequencies, seizure of equipment and arrest of station personnel. But much as in the UK, these pirate stations had also shown a clear demand amongst French listeners for a new kind of radio, previously unavailable.

Following the election of François Mitterand in May 1981, there was a massive growth in unlicensed broadcasting. Numerous political and pressure groups, from all parts of the political spectrum, established radio stations. By 1982 over 2000 stations were on air. Jamming of frequencies, seizures and arrests continued, but gradually legislation was introduced to legalise certain local stations. The first station to gain such a licence was *Radio Zéma* in Lozère, and by 1985 the new stations accounted for around 25% of listeners. At the moment there are around 600 legally licensed non-commercial local/community stations in France.

2. Licensing systems for community radio services

There is a single regulator for commercial broadcast media, the *Conseil supérieur de l'audiovisuel (CSA)*, which is independent of the French government.

As well as having responsibility for the licensing of the various categories of stations, the CSA has responsibility to enforce the safeguarding by broadcasters of two fundamental principles: respect for human rights, and the maintenance of public order. It also has specific regulatory functions relating to TV and radio programming. It has to ensure that broadcasters abide by their obligations in the following six areas

- Plurality and honesty of information
- Monitoring the broadcasting of films and other audiovisual programmes
- Contribution to the development of films and audiovisual programmes
- Protection of children and young people
- Advertising, sponsorship and home shopping
- Defence and promotion of the French language

In addition, since 1996, the CSA has a responsibility to ensure that at least 40% of the output of music-based radio stations consists of French music, of which at least half should be new artists or new material. Following a new law introduced in April 2000, certain exceptions may be granted to stations with and 'Adult' or 'Youth' formats.

In order to fulfil these obligations the CSA has a number of sanctions available, such as:

- a temporary suspension of the broadcast licence;
- a reduction in the length of the licence;
- total removal of the licence (in extreme circumstances)

The CSA can also require licence holders to broadcast an apology/correction, and to pay a fine.

The CSA could be described as a 'light touch' regulator, "preferring dialogue and prevention, we would not hesitate to halt proceedings if a solution emerges through discussion."

3. Frequency allocations and associated technical constraints

Authorisation to broadcast is issued free of charge by the CSA. Every five years all the frequency applications are examined at a regional level by the *Comités techniques radiophoniques* (Radio Technical Committees), before the CSA decides on their allocation, aiming in the main to keep a balance between the different types of radio. All licences are for fixed terms (normally five years) and are non-transferable, and the CSA has a mission to guarantee a diversity of programmes and to ensure the existence of a number of truly local radio stations. The majority of stations broadcast on FM frequencies.

There are series of stages involved in the licence application process –

- The CSA publishes a list of areas and categories of licences which are to be made available, and invites applications;
- The list of applicants is considered in a pre-selection process;
- After examining the applications in detail, the CSA produces a list of frequencies which are to be made available;
- Finally the CSA awards licences for a maximum period of five years these licences may be renewed a maximum of twice, each time for a five-year period.

The CSA is also responsible for helping to find solutions to reception problems faced by listeners, and dealing with complaints.

4. Economic bases of the community radio sector and rules on funding sources

Most of the finance for Category A stations is ensured by the *Fond de Soutien à l'expression Radiophonique* (Fund for the Support of Expression by Radio – FSER), which was first established in 1986. This fund is made up of taxes levied on the advertising revenue of the mainstream broadcast media. Each year *Category A* stations prepare a progress report and their audited accounts to be examined by a Commission of people nominated by a government decree, which is itself renewed every five years following the approval of the EU Commission. The Commission is chaired by someone independent – i.e. not a broadcaster or connected to government in any way – and has representatives of the state, representatives of the advertising corporations, a representative of the CSA and representatives from the associative stations themselves – chosen by the relevant ministry from lists proposed by the radio federations.

The sums received by the radio stations vary from as little as 20,000 FF to as much as 350,000 FF, and depend on two main criteria:

The first is related to the amount of the budget in the previous year – it appears that stations that have managed to secure additional local funding or thematic financing, are looked on more favourably;

The second is linked to the quality of the programmes, and the roots that the station has in its social and cultural environment.

According to the annual progress report presented by the stations, the Commission of the support fund takes into consideration:

- training activities which the stations undertake for their salaried employees;
- exchanges between radio stations;
- activities involving young people, particularly school workshops;
- work towards integration;
- support for the development of local cultural action.

In return for this financial support, the category A stations are committed to not gaining more than 20% of their annual turnover from advertising or sponsorship.

The operation of the FSER is due to be reviewed in 2002.

5. The sector in the context of the wider media landscape

The range of different categories aims to provide listeners with a plurality of choice – from national – to regional – to local stations. Community radio is a well-established feature of French broadcasting, with over 600 stations nationally almost all areas are served by this tier of broadcasting. It enjoys popular support amongst listeners, and is firmly embedded in the local media landscape.

6. Social Characteristics – programming, staff and supporters

The main organisation representing community radio stations in France is the *Confederation Nationale de Radio Libres* (National Confederation of Free Radios – CNRL). In their view the FSER, as well as providing crucial financial support to Free Radio stations, also has three useful effects on the development of community media action:

- It enables stations to stay relatively independent of local political and economic powers, “which allows the dignity and the freedom of speech necessary for the free media”. The CNRL’s opinion is that it allows “strong local visibility without servitude”;
- By the joint control which operates on the financing of Free Radio stations, it prevents possible mismanagement and contributes to the overall credibility of the free radio sector;
- By the value it places on the quality of programmes, and the importance of local radio in enabling local communication.

There are also, however, some less beneficial effects. Some stations become wholly reliant on their income from the FSER, and there is the risk that they lose the appetite to organise campaigns linked to their founding ideals in the fields of inter-cultural exchanges, musical creation, local activities, and investigative journalism.

At the same time the local communities and the decentralised departments of the ministries - such as the Ministry of Education, the Ministry of Culture, the Ministry of Health, and the Ministry of Youth – have a tendency to neglect the Free Radio’s

input into local life when national financing is assured. Because the stations are guaranteed a certain sum each year, these other agencies can be reluctant to provide any further funding, despite the fact that the FSER is widely viewed as an insufficient sole source of income for the stations.

Programming has to abide by the regulations governing category A stations (see section 1 above) in terms of the minimum amount of material of specific local relevance. Beyond that – as might be expected – output is highly varied.

Most of the people working on the Free Radio stations are volunteers, supported by a small group of paid employees, mostly in management positions.

7. Discussion

The cultural, political and social climate in France is markedly different to that which exists in the UK, and, as might be expected, this is reflected in the community radio movement. With over 600 stations nationally, it is clear that the Free Radios have become well established, with close ties to the communities they are licensed to serve.

One of the most interesting aspects of the French situation in a UK context is the existence and distribution of the FSER. The CNRL is very pleased with the fund, and believes it is “worth imitating in other countries throughout Europe and the world” – but is also concerned that there is not enough money to go around.

The Radio Authority in the UK has already proposed the introduction of a Radio Fund to foster the development of Access Radio. Their proposals, however, originally envisaged the money being used as ‘seed corn’, or start-up money, rather than as a source of on-going financial support.

The French model suggests that if stations are to be limited in the amount of advertising that they are allowed to carry, then they need at least some level of guaranteed annual funding in order to remain in existence.

The use of a levy on the advertising revenue of commercial broadcasters in order to create the fund, has, for a relatively small outlay, enabled the creation of a vibrant and distinctive strand in French broadcasting.

CHAPTER FOUR - HOLLAND

1. Definitions of community radio in law and regulation

Community Radio in Holland is known as 'local' radio, and is defined in law as follows:

"Its principal objective, as laid down in its constitution, is to provide a programme service for general broadcasting purposes which is aimed to such an extent at satisfying the social, cultural, religious or ideological needs of the general public in a municipality or province or the area of the province served by the establishment that it may be deemed to be serving the public interest; and it has a body which determines its programme service policy. This body shall be composed in such a way as to be representative of the main social, cultural, religious and ideological movements within the municipality or province."

Local broadcasting in Holland is considered to be part of the public broadcasting sector. It is not explicitly designated as non-profit distributing, though in practice none of these stations actually generate any profit, and most struggle to find sources of income.

Until 1983 'local' radio in Holland was only available on an 'experimental' basis. A number of stations were given permission to broadcast, and some *ad hoc* funding (from government). This was a rather hit-and-miss phase.

In 1981, 15 of these 'initiatives' (local radio stations) formed OLON (*Organisatie van Lokale Omroepen in Nederland* or Dutch Federation of Local Public Broadcasters).

OLON can be regarded as a kind of 'trade union' for non-commercial public local radio and television organisations. It is formally recognised by the Dutch Government as the official body for local broadcasting organisations in the Netherlands, and receives financial support by way of an annual government subsidy from the national media budget. This accounts for roughly 50% of OLONs income. The rest of OLONs funding comes from membership fees, membership services and services to other parties with links to local stations.

In August 1999 there were 336 licensed local broadcasters in Holland. (315 of these are members of OLON). Most of these stations are primarily involved with radio. Roughly 100 of these stations transmit radio (on FM) and television (on cable). 100 stations also transmit a local cable newspaper, and 50 produce a teletext service. Many stations have started making use of computer networks, and nearly 200 have their own website.

OLON performs a number of distinctive roles:

- It negotiates with (inter-) national and regional authorities, and other relevant organisations, on issues of interest to local stations such as copyright, advertising, programming, access to new infrastructure, and digitalisation.
- It provides advice to members on practical matters such as: the legal and regulatory framework and requirements for the establishment of local stations; average technical requirements and availability; appropriateness

and availability of technical equipment; training of volunteers and staff; and management advice.

- It fosters the national network of local broadcasters: stations are visited, meetings are attended, disputes are settled and draft contracts are examined. In addition, OLON provides training materials, courses and workshops, organises an annual radio and television competition (RTV Festival) and conducts audience research.

2. Licensing systems for community radio services

There is a single regulator of broadcast media, The Dutch Media Authority (*Commissariaat voor de Media*), which was established in January 1988. It is an independent administrative body, with three commissioners, appointed by Royal Decree, on the recommendation of the Minister for Education, Culture and Science, and support staff made up of civil servants.

According to the Media Act (1987, and subsequently updated) the Media Authority has three main functions:

Supervision:

The Media Authority (MA) has a supervisory role over public broadcasters, private (commercial) broadcasters, and cable network operators. The MA checks whether these organisations act in accordance with the rules and regulations of the Media Act and the Media Decree.

This supervisory function is always done *post facto*. The Media Act explicitly prohibits any monitoring of programmes in advance.

The bulk of this monitoring is carried out to check compliance with the regulations related to advertising and sponsorship.

Allocation of broadcasting time:

The MA allocates national broadcasting time to educational broadcasting organisations, religious and spiritual organisations, political parties and government information.

Each year the Ministry of Education, Culture and Science establishes how much national broadcasting time on radio and television will be made available for these categories of public broadcasting organisations.

The MA also allocates broadcasting time for public regional and local broadcasters, both for radio and TV.

Financial Control:

The MA is responsible for the actual payment of the public broadcasting organisations. The budget that is available for the public broadcasters is established, each year by the Ministry for Education, Culture and Science. The budget has two sources – the licence fee (payable by every household receiving either radio, TV, or both), and revenues from advertising that is carried on public radio and TV channels.

Local Radio

In 1983 local radio became available on a non-experimental basis. A number of stations were established at this time – all ‘broadcasting’ using cable. As a result of the Media Act passed in 1988, local radio stations are now allowed to broadcast on FM.

A local station must be formally incorporated. It’s main objective has to be to make and transmit programmes for and on behalf of the local community. The programmes have to ‘make a contribution to the community served’, and this objective has to be incorporated into the organisational regulations of the radio station.

The board of the station has to reflect the local community and be representative of the major cultural, social, religious and ideological organisations in the local community. The Court of Mayor and Aldermen in each municipality, upon the recommendation of the broadcaster, appoint the members of the board. Editorial independence has to be guaranteed by statute.

Standard Licence term

The standard licence term is for 5 years. The Media Authority in consultation with the relevant local municipality handles applications for a local broadcasting licence.

3. Frequency allocations and associated technical constraints

The Ministry of Transport handles frequency allocations, once the regulator, as part of the licensing process, has awarded licences.

There can be only one station per municipality – though one station may serve several geographically adjacent ‘communities’, with the agreement of the relevant executive bodies (municipalities). The licensee (the local radio station) is eligible to apply for both an FM and a cable licence simultaneously. Many stations broadcast on FM, and then use their cable service to provide either a ‘simulcast’ of their radio output, or Text/TV or sometimes a local TV service.

When programmes produced by local stations are to be broadcast to several stations at once, broadcasting network providers are required by law to transmit – in full, unaltered and at the same time as the original transmission – to all those connected to the broadcast network, the programmes services of the local broadcasting establishment.

4. Economic bases of the community radio sector and rules on funding sources

All Dutch households (with a few exemptions, such as hotels) who receive broadcasting services have to pay a licence fee. There are two categories of licence fee, A and B. Licence fee A covers both TV and radio, licence fee B is for

households with radio only. Car radios are not subject to the licence fee. As in the UK the level of the licence fee is determined by parliament. Collection of the fee is the responsibility of the Radio and Television Licensing Service (RTLIS). In addition to the main licence fee, each municipality has the option to levy an additional local radio surcharge of 2 guilders (£0.60p) per household. This surcharge is collected by the RTLIS, and forwarded directly to the local municipality (after deduction of collection costs). About 60 municipalities have introduced this surcharge to help support their local station.

Apart from this optional surcharge, local stations do not get funding from the authorities, and are encouraged to seek funding from a range of sources, including advertising, sponsorship, membership fees, and donations. Advertising is permitted on the basis that it does not exceed fifteen percent of the entire programme service provided on a given day, and is also limited to a maximum of 12 minutes per hour.

The rules on sponsorship state that all programmes may be sponsored with the following exceptions:

- programmes consisting of news, current affairs or political information
- programmes which are specifically aimed at minors under the age of twelve
- programmes containing consumer information about products and services

The annual budgets of local stations range from fl10, 000 (£2950) in small villages to more than fl4, 500,000 (£1.3 million) in big cities. On average (in 1998) local stations have a yearly budget of fl100, 000 (£29,000).

The average annual income per station in advertising fees is fl20, 000 (£5,900). Some stations depend completely on advertising income, but experience shows that for the bulk of stations advertising is complimentary to other sources of funding. OLON's view is that it is undesirable to fund a public station totally out of advertising revenue, and that the local market in the Netherlands has proven to be too small to run a local radio station on a commercial basis.

5. The sector in the context of the wider media landscape

As stated earlier, local broadcasting in Holland is considered to be part of the public broadcasting sector. It exists alongside regional and national services – both 'public' and 'commercial'.

Audience research conducted on behalf of OLON indicates that the first reason given by people for listening to their local station is that it provides local information about their community. On an audience appreciation index marked out of 10, local radio stations received a score of 7.2 – a figure higher than that received by national stations.

Local radio stations also get higher ratings with regard to weekly and daily 'reach' than the national public and commercial stations. An average 10% of the population listens daily to local radio, and whilst there is quite a diversity in the ratings of local stations, the research indicates that the smaller the community, the more popular the local station is.

6. Social Characteristics – programming, staff and supporters

According to the Media Act (article 51f) a local broadcasting establishment shall use its broadcasting time to provide a programme service:

- of which at least fifty percent consists of programmes of an informative, cultural or educational nature which have particular relevance to the municipality for which the programme service is intended
- of which a minimum percentage (as agreed with the regulator – usually fifty percent) of programming consists of programmes produced by, or exclusively for that establishment.

Of the 600 municipalities in Holland, 500 have a local broadcaster (some stations cover more than one municipality). For the combined radio stations the potential reach is 14 million people, out of a total population of approximately 15.5 million. Most of the programming is in Dutch, though some cultural and ethnic groups broadcast in their own languages. Overall output is described by OLON as 'eclectic'. Local news, information, politics, culture, local entertainment, and programmes for special groups in the community, are part of the varied mix. Especially in the bigger cities, local stations may have one or more separate public access channels. For example, SALTO Amsterdam operates six radio channels and two television channels. The average local radio station broadcast for 18 hours a day in 1998.

The overwhelming majority of station personnel are volunteers – especially in small villages and rural communities. Some city-based stations have paid staff – mostly in management positions. The numbers involved in each station varies from 20 in small villages to over 200 in the larger city-based stations. OLON estimates that there are over 20,000 people involved with local broadcasting in the Netherlands.

7. Discussion

Local broadcasting has firmly established itself in the Netherlands, and proven that there is a clear audience for the kind of distinctive programming that it is able to offer. In terms of national coverage, local stations transmit to almost all households, and offer a valuable addition to other regional and national services, both 'public' and 'commercial'.

Financing is a major cause for concern amongst local broadcasters, who describe their position as 'weak'. OLON advocates the need for public resources to be made available to local stations, and this issue is currently under review by the Dutch government.

One other major concern relates to the training of the huge numbers of volunteers working in the sector. Existing courses and training material offered by the mainstream training organisations are often too expensive and not really suited for the particular needs of local stations. Some professional organisations, such as schools for journalism, have begun to recognise the need for specialist training programmes, but there is still scope for much development in this area.

In terms of lessons for the UK, the ability of local authorities to levy a small annual fee specifically for the purposes of funding their local station is one that is perhaps worth considering, though this is a far from reliable source of income, and is heavily dependent on local political and economic priorities. It does not provide a secure and sustainable source of funding, and can lead to considerable instability and uncertainty for the broadcasters.

CHAPTER FIVE - IRELAND

1. Definitions of community radio in law and regulation

The Independent Radio and Television Commission (IRTC) in Ireland currently defines Community Radio as follows:

“A community radio station is characterised by its ownership and programming, and the community it is authorised to serve. It is owned and controlled by a not-for-profit organisation whose structure provides for membership, management, operation and programming primarily by members of the community at large. Its programming should be based on community access and should reflect the special interests and needs of the listenership it is licensed to serve.”

In addition to this, the IRTC has formally adopted the AMARC Community Radio Charter for Europe, as a statement of the objectives community stations should strive to achieve. This includes a commitment to working for ‘social purposes’, and remaining independent of government or large media corporations.

In conjunction with the AMARC Charter, the IRTC also uses a ‘three-dimensional framework’ to assess the ‘community’ nature of relevant organisations and groups. All stations wishing to be considered as bona fide ‘community’ stations need to:

- describe clearly the geographical community, or community of interest served;
- promote and support active participation by this community at all levels in the operation;
- operate in a manner which is in keeping with the ethos or value system which underpins community activity.

Community Radio in Ireland has developed from an eighteen-month ‘pilot project’ established in 1994 by the IRTC. During this period eleven stations were initially licensed to operate until the end of 1996. All of these stations were later granted a one-year extension on their licences. A *Community Radio Officer* was appointed by the IRTC in mid-1995, and a *Community Radio Forum* was subsequently established to provide an opportunity for inter-station communication and exchange. This forum produced a report – entitled “*A Community Radio Model for Ireland*” - which was one of the key information sources for the final policy document produced by the IRTC.

During the period of the pilot project, and beyond, a *Development Workshop Support Scheme* was funded by the IRTC, to enable stations to apply for a grant to run workshops which sought to identify, explore and define key issues in the organisational development of the participating stations.

The IRTC’s view, after careful evaluation of the pilot project, is that community radio is a viable distinct strand in Irish broadcasting. The other two strands are public broadcasters, and commercial broadcasters

2. Licensing systems for community radio services

There is a single regulator for commercial broadcast media – the IRTC.

The IRTC is bound to follow Section 5 of the 1988 Radio and Television Act when allocating community radio licences. There are two initial stages:

- Invites expressions of interest from parties interested in securing contracts for sound broadcasting services by public notice in at least one national newspaper;
- Invites applications by public notice for a contract to provide a service in a specific area as agreed with the Director of Telecommunications Regulation.

As part of the decision-making process certain selected applicants are also invited to make a public oral presentation to the Commission before a decision is made. This is not a legal requirement, but it is felt that it allows the public an opportunity to consider the type of service that will be offered, and in turn allows the Commission to question the applicants in more detail.

Expressions of interest are expected to indicate in general terms the type of service that would be provided and are not regarded as a formal application for a sound broadcasting contract. In considering expressions from those interested in community strand licences, the Commission will have regard to the definition of community radio, and the community nature of the relevant group.

Expressions of interest for community licences should, therefore, include a clear definition of the community to be served and outline the level of current and expected participation by that community in the station. Groups also need to comment on the type of programming service envisaged, how it will meet the communication needs of the community served, and how they propose to resource their station.

Following consideration of the expressions of interest received, the commission will decide whether to move to application stage. If a decision to proceed is taken, and following the necessary consultation with, and approval of, the Director of Telecommunications Regulation, applications for licences to establish stations to serve communities in specific areas will be invited. A guide to Submissions outlining the criteria to be used by the Commission when assessing applications is made available to all parties at this stage.

The Commission will not award licences in areas where, in the opinion of the Commission, the applications are not of a sufficient standard.

The standard licence term for stations in the community strand is five years, though the IRTC retains the right to vary the terms and conditions of each individual licence.

There are currently thirteen stations running – licensed from 1998 to 2003 - and the IRTC will be allocating three new licences this year (2001), and a further three in 2002.

For each community licence awarded a contract is drawn up on an individual basis,

and throughout the duration of the licence the station is monitored. With regards to business, technical and programming aspects, the station is visited by a representative of the IRTC at least once a year, and these issues are discussed and inspected. The aim is for the regulator and the stations to work together on the basis of cooperation and consultation, rather than conflict.

The IRTC also issues temporary licences, up to a maximum of 14 days. Similar to the RSL scheme which operates in the UK, these licences tend to be used by educational users, or for cultural and sporting events. 23 such licences were issued in 2000.

3. Frequency allocations and associated technical constraints

The IRTC applies to the Office of the Director of Telecommunications Regulations for the frequency allocation.

Each contract is individually considered and the most appropriate frequency allocated. The maximum radius for transmission is normally five miles – though there are variations. For example, in certain remote rural areas, such as Connemara, the only form of local radio available is the community station, and the transmission area is larger than five miles to enable the geographically dispersed listeners to receive the station. In more densely populated areas such as Dublin City, where there are currently four community radio stations (*Dublin South; Dublin Weekend; NEAR FM; and West Dublin*) the broadcast area is more localised. All stations broadcast on FM frequencies.

4. Economic bases of the community radio sector and rules on funding sources

The IRTC supports the approach that community stations should be funded from a diversity of sources. The experience of the pilot project has shown that this is not only the most realistic option, but also essential if stations are to ensure that programming is determined primarily by the community served.

In this context, the IRTC requires that no more than 50% of a community station's income should come from any one source. A variety of approaches to attracting support from the community served were developed by pilot project stations, including membership fees, sale of services, collections, general fund-raising and on-air activity. The Commission allows stations to broadcast advertisements and sponsorship announcements, subject to the conditions already in place for pilot project stations which were permitted to carry advertising.

These are:

- No more than 50% of income is secured from commercial activity;
- A maximum of 6 minutes advertising/sponsorship per hour will apply (commercial stations can broadcast up to 10 minutes per hour);

In addition community radio stations may only broadcast advertisements that specifically relate to:

1. *work* opportunities which exist in the specified area
2. *events* which are to occur in the specified area
3. *businesses* which are carried on in the specified area
4. *services* which are delivered in the specified area

A meeting of the *Community Radio Forum*, in September 2000 focussed on funding, in response to a document produced by the IRTC entitled *Funding Profile of Community Radio*.

Five main sources of funding were identified:

- On-air commercial activity (sponsorship/advertising)
- Off-air commercial activity (equipment rental, studio rental, training provision)
- Grant aid (Local Authority, European Funding)
- Membership fees
- Community fundraising

It was the view of the Forum that current IRTC policy, whereby stations may not receive more than 50% of their income from any one source, has not been prohibitive. Likewise the 6-minute per hour restriction on advertising has not been prohibitive – in fact not a single station has been able to attract anything approaching this level of on-air commercial activity. The typical figure is around 3-minutes per hour at best.

The view of the Forum was that whilst funding remains an issue for all stations, it is not a critical one since “the majority of stations are financially stable”.

The IRTC has also made available £80,000 under the heading of its *Community Radio Support Scheme*. This money is used to support two main activities:

- Station evaluation and development
- Networking

The process of evaluation and development enables stations to run workshops for both internal issues (development of funding policies; overall planning; building a station identity; building a staff and volunteer team) and external issues (relationships between stations and their listeners; relationships with the wider community).

The importance of structured networking between community radio stations is also important. The IRTC is committed to supporting the work of the Community Radio Forum, by funding its bi-annual meetings, and the meetings of the 4-person Executive Committee.

5. The sector in the context of the wider media landscape:

Community radio in Ireland occupies a distinctive space in the media landscape. It

can be positively defined as a form of media with strong roots in the local community that it is licensed to serve. It co-exists alongside both public broadcasters, and commercial broadcasters, and offers a valuable addition to these existing service providers. The pilot project clearly demonstrated that community stations were most successful in attracting and retaining listeners when they endeavoured to provide a new service which adds to the diversity of programming available, rather than replicating the format and content of existing services.

Both the IRTC and the Community Radio Forum are agreed that the establishment of community radio in Ireland has been by and large a success. Whilst there are, no doubt, challenges which community radio has to face in the coming years, it would appear that community radio has relatively quickly established itself as an important asset in Irish broadcasting as a whole, and to the communities which it serves.

6. Social characteristics – programming, staff and supporters

The definition of community radio, as owned and controlled by not-for-profit organisations, with structures that provide for membership, management and operation of the station by the community served, offers clear guidelines as to the ownership and management structures which community stations should operate.

The station is accountable to the community and the community are in control of, and therefore responsible for, the station. In a perfect situation, there should be no apparent division between the management representatives appointed at either station or ownership level. They are all representatives of the community served. The view of the IRTC is that this model highlights the importance of having a clear definition of the relevant community and of developing structures to facilitate and promote their participation at all levels.

The Commission acknowledges that the definition of community radio allows for some flexibility in relation to ownership. This is only possible in instances where the right of the community served to control the station is not unduly affected. While having ownership vested in the community served is, undoubtedly, the best way to guarantee this, ownership and control are not inseparable.

The pilot project showed that staff in community stations can broadly be divided into four categories:

- Volunteers
- Those paid using station resources
- Those participating in employment/training schemes
- Others (mainly people who are paid by a supporting organisation to carry out specific tasks, e.g. accounts)

Of the four categories it is volunteers who make up the vast majority of station personnel. Indeed the extent to which members of the community served are willing to give of their own time, in a voluntary capacity, to support their station is seen by the IRTC as a key indicator of the success of that station.

The evidence of the pilot project suggested that two full time members of staff per station are necessary to enable stations to reach their full potential, however, current levels of funding mean that stations are unlikely to be able to afford to employ more than one full-time member of staff – usually someone with management/community development experience. It is the intention of the Community Radio Forum to attempt to secure additional governmental funding earmarked for the community/volunteer sector, in order to increase the numbers of full-time staff working in stations.

It is the policy of the IRTC to include in all contracts an approved programme schedule and programme policy statement. The policy statement sets out the station's programme philosophy and their plans to facilitate and promote community participation. Statements are expected to include clear commitments in relation to areas such as:

- speech/music ratio;
- Irish language programming;
- music policy;
- externally-produced programming

Any changes to the agreed schedule or policy statement have to be agreed between the station and the IRTC in advance.

7. Discussion

The licensing of a number of stations for a two-year pilot project, together with the establishment of the Community Radio Forum, and the appointment of a Community Radio Officer, allowed all participants in the scheme – regulators as well as the stations – to work together in the implementation of the new tier of broadcasting. Crucial to this process was the careful evaluation of the pilot project that took place.

The funding of the Forum, and its Executive Committee, by the IRTC, has enabled it to meet on a regular basis, and to build strong connections between the different stations. The results of this are that the Forum can provide valuable advice to the regulator on the day-to-day operation of community stations, whilst at the same time offering co-ordinated policy statements for consideration by the IRTC. It is the view of all concerned that the Forum has proved an invaluable vehicle for communication and the exchange of information – between the regulator and the stations, and between the stations themselves.

The funding regulations, with their emphasis on the importance of a diversity of funding sources, have also proved valuable. The restrictions introduced by the IRTC, have the full support of the Forum, and it is encouraging that whilst finance is often tight, it is not a major concern for the majority of stations. This level of relative financial security enables stations to concentrate on building ever-closer links with the communities they are licensed to serve, without having to divert all their energies into fundraising.

CHAPTER SIX - SOUTH AFRICA

1. Definitions of community radio in law and regulation

In apartheid South Africa there existed a tightly controlled broadcasting environment monopolised by the state controlled South African Broadcasting Corporation (SABC). Since the early 1990s, following the democratisation of the Republic of South Africa, the airwaves have been opened up in an unprecedented way. An Independent Broadcasting Authority Act was passed by Government in 1993 and established an Independent Broadcasting Authority (IBA). Included in this Act is a firm commitment to community broadcasting. Included in the mission of the Department of Communications is the desire to "...strive towards universal service to enable ordinary people to have access not only to traditional media but also the convenience of information technology..." Community radio has been introduced rapidly and is recognised as playing an important role in the development of civil society in South Africa, yet it is a struggling sector largely because of funding and skills shortages in many areas of the country.

From 1994 the Independent Broadcasting Authority (IBA) began issuing community stations with temporary 12 month licences. The stations were largely centred on urban or semi urban populations. This urban concentration was largely due to lack of resources, expertise and necessary skills in other areas. Whilst community radio is spreading throughout the country, these limitations largely remain. Some temporary licences are still being renewed on a 12 monthly basis, whilst more permanent 4 year licences have also now been issued. There were around 86 stations on air, with 24 of these holding 4-year licences, at the end of 1999. According to the Independent Communications Authority of South Africa (ICASA) – the new regulatory body - there are 92 community services currently operational on FM frequencies, and 8 on AM frequencies.

In 1999 a Broadcasting Act was introduced. The object of the Broadcasting Act is to establish and develop a broadcasting policy in the Republic of South Africa in the public interest and is intended to 'contribute to democracy, development of society, gender equality, nation building, provision of education and strengthening the spiritual and moral fibre of society'. The Act encourages ownership and control of broadcasting services through participation by persons from historically disadvantaged groups through, amongst other things, providing a three tier system of public, commercial and community broadcasting services.

Community broadcasting services, as defined in the Broadcasting Act number 4 of 1999:

1. Are fully controlled by a non-profit entity and carried on for non-profitable purposes;
2. Serve a particular community;
3. Encourage members of the community served, or persons associated with or promoting the interests of such community, to participate in the selection and provision of programmes to be broadcast; and,

4. May be funded by donations, grants, sponsorships or advertising or membership fees, or by any combination of these.

There are two types of community radio services, those serving a *geographical community* and those serving a *community of interest*. The communities of interest may be defined as having a specific, ascertainable common interest - a common interest that makes such a group of persons or sector of the public an identifiable community. These may be institutional, religious or cultural communities.

The 1999 Broadcasting Act states that programming provided by a community broadcasting service must reflect the needs of the people in the community which must include amongst others cultural, religious, language and demographic needs and must:

1. Provide a distinct broadcasting service dealing specifically with community issues which are not normally dealt with by the broadcasting service covering the same area;
2. Be informational, educational and entertaining;
3. Focus on the provision of programmes that highlight grassroots community issues, including, but not limited to, developmental issues, health care, basic information and general education, environmental affairs, local and international, and the reflection of local culture; and
4. Promote the development of a sense of common purpose with democracy and improve quality of life.

There are content requirements for community radio services. These state that stations must,

- ensure that programming is community driven
- broadcast news and other information programmes, especially about events and issues at a local level.
- provide diversity in format, adding to the diversity of provision in the local area
- reflect the language needs of their target communities
- ensure the development of local music and talent and the development of the local music industry by ensuring that a minimum 20% of music broadcast (for services dedicating more than 15% of their airtime to music) is of South African origin.

2. Licensing systems for community radio services

Within the South African Government is the Ministry for Post, Telecommunications and Broadcasting. The Department of Communications is the public service arm of the Ministry. It is responsible for policy making and policy review in the post, telecommunications and broadcasting sectors. Within the Department is a Broadcasting Policy Development Unit.

The Independent Broadcasting Authority (IBA) was formed by the Independent Broadcasting Authority Act 153 in 1993. This IBA was charged with the promotion of a diverse range of sound and television broadcasting services on a national, regional and local level. These services must cater for all languages and cultural groups; provide entertainment, education and information. In July 2000 The IBA and the South African Telecommunications Authority (SATRA) were merged to form the Independent Communications Authority of South Africa (ICASA).

When ICASA makes a frequency available it invites interested groups (those that have registered an interest or applied previously) to apply through a notice in the Government Gazette and any other appropriate means of publicising the opportunity in the area concerned. A closing date is included in the notice, after which time no applications are considered. Uninvited applications will also be considered by ICASA although they will not necessarily be processed immediately. Following the processing of applications a public hearing is held. The public hearings are publicised in the Government Gazette and held in or near the province in which the planned service will be delivered. Following the public hearings the decision to licence, or not to licence a service is made public along with the reasons for the decision and any conditions.

ICASA considers the applications using the following criteria,

- in the case of geographically founded communities, how they propose to meet the diverse needs of the community within the coverage area
- the degree to which the applicant has taken measures to ensure that the people in its policy-making, operational and other structures are representative of the community to be served
- whether the applicant encourages members of the community served to participate in the selection and provision of programmes
- the degree to which programming proposes to reflect the needs of the community identified and how it establishes the needs (e.g. through a forum)
- how the applicant proposes to contribute towards the general enrichment of the lives of members of the community
- how the proposed service is distinguishable from other applicants and/or existing broadcasters serving the same geographical coverage area.

There is an application fee, which is non-refundable, of 3000 rand (£267). Community services will also pay an Issue of Licence Fee (R500 or £44) and an Annual Licence Fee (R1200 or £106). ICASA intends to promote the establishment of community services in needy areas (notably non urban areas, and historically disadvantaged communities) by reducing these fees in certain circumstances.

3. Frequency allocations and associated technical constraints

The majority of community stations broadcast on FM frequencies although ICASA have also assigned 18 AM frequencies to community broadcasters. Of these 18, 8 are operational and 10 are spare frequencies, set aside for community broadcasting

services. The use of AM frequencies is due to the perceived FM spectrum shortage and the perceived underdevelopment in South Africa of the AM broadcasting band. ICASA is currently inviting comment on a draft frequency plan that outlines spectrum allocation and the use of both AM and FM bands. It is a requirement of the IBA Act of 1993 that the frequency plan must be reviewed annually.

The size of the licence area, and the required transmitter power, is determined by ICASA through an assessment of:

- the practicality of active participation by the community in the affairs of the station
- the number of people who will be reached by the service taking into account the population density of the coverage area
- whether the proposed licence area is in a single province
- other general factors relating to the demand and need for the proposed service
- rational frequency planning imperatives.

Frequencies are sometimes shared by licensees where there is limited spectrum availability but more than one applicant. The regulator prefers to issue licences on a non-sharing basis, but will consider the sharing of frequencies where the situation requires this, and where broadcasters agree. ICASA believes that frequency sharing is not an ideal situation as it may prove difficult for broadcasters to generate audience loyalty and it feels that audiences prefer one station to one frequency.

4. Economic bases of the community radio sector and rules on funding sources

Community radio in South Africa is largely under funded and struggling to survive. There is limited state funding for these services, and many are unlikely to survive. Some still operate on temporary one year licences rather than the full 4 year licences, making the generation of income and financial planning difficult. There are a broad range of stations with varying levels of funding, funding needs and availability of funding sources. Different economies apply to urban and rural stations and to stations run by the historically advantaged and those run by the historically disadvantaged.

There are no regulator imposed funding restrictions, although the Independent Communications Authority of South Africa (ICASA) is 'vigilant', and wary of donors who may have intentions of exercising control over a station.

The amount of advertising and sponsorship that a station may take is unrestricted at present. There is a requirement to make clear the distinction between advertising and sponsorship announcements, and to ensure that sponsors of programmes do not influence the content of those programmes.

Some stations are able to cover running costs through advertising and sponsorship revenue, but often need start-up funding for training and equipment. Some begin

with start-up grants (some from the Government) and then run with a mix of advertising revenue and donor support. The Government, if it does supply funding, tends to fund start-up equipment costs. The Government has recently made 18million rand (£1.6 million) available for programme production concerned with HIV/Aids, women, children and old people. There is some anxiety about maintaining independence from donors and Government.

The National Community Radio Forum (NCRF) lobbies for funding for community radio and has established the Kgaso Fund which is supported by the Danish and South African Governments. International donors make a significant contribution to the sector in some areas. The Open Society Foundation has distributed US \$1million per year since 1993/94. There is little information on the amounts and proportions of funding that come to the sector from different sources, but advertising and donor support appear to be the most significant funding sources.

5. The sector in the context of the wider media landscape

The South African Broadcasting Corporation (SABC) operates 300 FM and 14 AM radio stations. In an effort to end its broadcasting monopoly 6 of its radio services were sold to private (commercial) operators and 8 new private (commercial) services were licensed by late 1999.

The private radio sector is growing fast in South Africa. In ICASA's 2001 draft broadcast frequency plan there are 385 FM frequencies identified for future private use, with 114 of these now operational. This compares with 608 FM frequencies identified for future community use, with 92 of these operational. The plan also identifies 18 AM frequencies for community use (of which 8 are operational) and 19 for private use (of which 5 are operational).

6. Social characteristics – programming, staff and supporters

The National Community Radio Forum (NCRF) represents the interests of community radio in South Africa. Launched in December 1993 the NCRF is committed to the establishment of community radio stations throughout South Africa. It advocates on behalf of member stations, lobbies the Government and ICASA and encourages and facilitates networking and cooperation amongst community radio services.

Programming for community stations is to a large extent described by the Broadcasting Act in that it must relate to and be influenced by the needs of the communities served, it must provide diversity in format and languages, must reflect the cultures of the communities served and must promote South African identity. There is as yet no substantial body of audience research data but is largely recognised that community services are welcomed and encouraged by the communities they are established in order to serve.

The Government, ICASA and the NCRF all indicate the need to target, in particular, communities that have been historically disadvantaged. These communities

generally lack resources and skills and experience difficulty in generating income to fund the operation and staffing of stations. These stations are largely funded by donor organisations. Community stations are required to have 2 permanent members of staff that includes the station manager. Many stations are highly dependent on a volunteer base.

7. Discussion

The pace of political change in South Africa and the parallel changes in the broadcasting environment have created an exciting and vibrant location for an analysis of community radio. However, little can as yet be learned from the South African example as the sector is struggling to come to terms with many challenges – most notably that of funding. However, as a struggling sector it is worth noting that innovative ways of maintaining community services are often utilised, and this makes a closer inspection worthwhile. It will be interesting to observe how the sector develops over time and begin to compare its developments with those about to begin in the UK.

CHAPTER SEVEN – COMPARATIVE ANALYSIS

In this section of the report we offer a comparative analysis of the main aspects of community radio in each of the six countries we have examined. The aim here is to show the similarities and differences that exist, and to draw on these to inform our recommendations as to an optimal model for the proposed new tier of radio licences in the UK.

Definitions of community radio in law and regulation

All six of the countries we have examined have clear definitions of what is meant by Community Radio. These include a number of common features:

Non-profit distributing:

In all six of the countries community radio is explicitly designated as non-profit distributing:

- *Australia:* “Community Radio stations are not operated for profit or as part of a profit-making enterprise.”
- *Canada:* “A community radio station is owned and controlled by a not-for-profit organization.”
- *France:* Category A stations, are explicitly constituted as ‘non-commercial’.
- *Holland:* ‘Local radios’ are designated as part of the ‘public broadcasting sector’.
- *Ireland:* “A community radio station is owned and controlled by a not-for-profit organisation.”
- *South Africa:* “Community Radio stations are fully controlled by a non-profit entity and carried on for non-profitable purposes”

Comments: This is a crucial aspect of the definition of community radio. By explicitly excluding profit-making organisations, it clearly distinguishes the stations from the commercial sector. It is in our view absolutely vital for the success of the new sector that this definition is adopted in the UK.

Intended audiences:

- *Australia:* Stations “are provided for community purposes” and “represent a community of interest...the term community refers to a group of people who share a common identity, such as geographical location, class or ethnic background, or who share a special interest.”
- *Canada:* “A priority is to connect Canadians to one another and help Canadians overcome differences and distances to better understand one another and increase appreciation of the values that Canadians share.”
- *France:* Community Radio stations should regard themselves as “local,

community, cultural or student services.”

- **Holland:** A Community Radio stations’ “principal objective, as laid down in its constitution, is to provide a programme service for general broadcasting purposes which is aimed to such an extent at satisfying the social, cultural, religious or ideological needs of the general public in a municipality or province...that it may be deemed to be serving the public interest.”
- **Ireland:** “All stations wishing to be considered as *bona fide* ‘community’ stations need to describe clearly the geographical community, or community of interest served, and promote and support active participation by this community at all levels in the operation of the station”
- **South Africa:** “Community Radio stations must serve a particular community; be informational, educational and entertaining; and focus on the provision of programmes that highlight grassroots community issues.”

Comments: The emphasis here goes beyond simply providing a ‘local’ service – which is what some existing public service and commercial groups may already claim to be doing. Instead community radio stations have a clear remit to address their intended audiences not simply as citizens, or as consumers, but as participants in the shared life of the community. This is a mandate for the stations to work towards social inclusion, and is one of the most powerful arguments in favour of the establishment of a separate tier of community radio stations.

Ownership/Management structures:

Questions of ownership and control are another way in which this sector is manifestly different from traditional broadcasting institutions. In all six countries there are guidelines for the management of the stations:

- **Australia:** Community Radio stations are defined as “having organisational mechanisms for active community participation in management, development and operations; being controlled and operated by an autonomous body which is representative of the community served.”
- **Canada:** “A community radio station is owned and controlled by a not-for-profit organization, the structure of which provides for membership, management, operation and programming primarily by members of the community at large.” The regulator also expects community stations to reflect the multicultural make up of the communities they serve in their employment practices.
- **France:** Whilst there are no specific regulations related to ownership and management, the vast majority of Category A stations are members of the *Confederation Nationale de Radio Libres* (National Confederation of Free Radios – CNRL). In order to be members these stations need to show that they have management structures that are representative of the communities they are licensed to serve.
- **Holland:** “A local station must be formally incorporated. The board of the station has to reflect the local community and be representative of the major cultural, social, religious and ideological organisations in the local community.”
- **Ireland:** “A community radio station is characterised by its ownership and programming, and the community it is authorised to serve. It is owned and controlled by a not-for-profit organisation whose structure provides for

membership, management, operation and programming primarily by members of the community at large.”

- *South Africa*: “Encourages members of the community served to participate in the selection and provision of programmes to be broadcast,” and “encourages ownership and control of broadcasting services through participation by persons from historically disadvantaged groups.”

Comments: By vesting control of the station in a representative management board, the community radio sector can clearly distinguish itself from other broadcasting providers. This is more than a bureaucratic nicety, since it influences not only the overall strategy of the stations, but also their day-to-day operations and in particular their programming. Members of the community are not just ‘the audience’, they are also the ones responsible for decision making within the station.

Programme Codes and Content requirements:

All six of the countries have guidelines relating to programme content:

- *Australia*: “Operates a Code of Practice for community broadcasting licences, developed by the Community Broadcasting Association of Australia which aims to encourage members of the community served to participate in the operations of the service and the selection and provision of programmes”
- *Canada*: “Programming should reflect the diversity of the market that the station is licensed to serve.” Another priority is to connect Canadians to one another and help Canadians overcome differences and distances to better understand one another and increase appreciation of the values that Canadians share.
- *France*: “Community Radio stations are obliged to carry at least 4 hours of specific local programming every day – to be broadcast between 6.00am and 10.00pm. Other programming should also aim to reflect the cultural, social and linguistic characteristics of the population in the local area.”
- *Holland*: “The programmes have to ‘make a contribution to the community served’, and this objective has to be incorporated into the organisational regulations of the radio station. At least fifty percent of a stations output should consist of programmes of an informative, cultural or educational nature which have particular relevance to the municipality for which the programme service is intended.”
- *Ireland*: “Programming should be based on community access and should reflect the special interests and needs of the listenership it is licensed to serve.” In addition to this, the IRTC has formally adopted the AMARC Community Radio Charter for Europe.
- *South Africa*: “Encourage members of the community served, or persons associated with or promoting the interests of such community, to participate in the selection and provision of programmes to be broadcast”

Comments: These guidelines help to clearly differentiate the programming offered by community radio stations from that provided by either public service stations, or commercial groups broadcasting in the same locality. They seek to encourage stations to develop and maintain very close links with their audiences, and discourage the use of formatted or networked programming.

With any programme code there is the need to balance the risk of being over-prescriptive, with the desire to provide support and guiding principles. We therefore believe that the best model for the UK would be to encourage all community radio stations to subscribe to the AMARC-Europe Charter, as is the situation in Ireland. It offers clear principles, and is already widely used by many stations across Europe.

Licensing systems for community radio services

There are some inevitable differences between the six countries with regard to licensing regulation, and the detailed structuring of the regulatory authorities, which reflects their varied historical, political, and cultural climates. Nonetheless, it is significant that all six of them have single regulators for broadcast media (including radio, television and other 'broadcasting services', such as cable and satellite). In two of the countries – Canada and South Africa – the regulator is also responsible for telecommunications, which includes the Internet.

In all cases there are specific processes for the advertisement of licences, the review of applications, the award of licences, and a range of sanctions for any breaches of legislation or codes of practice.

Australia: The Australian Broadcasting Authority (ABA) is the independent federal statutory authority responsible for the licensing and regulation of the broadcast industry in Australia. In recent years there has been a process of deregulation so that now the broadcasting sector is largely self-regulated. A term used by some is that of 'co-regulation'.

Canada: The Canadian Radio-Television and Telecommunications Commission (CRTC) is an independent regulatory agency responsible for broadcasting and telecommunications.

France: There is a single regulator for commercial broadcast media, the *Conseil supérieur de l'audiovisuel* (CSA), which is independent of the French government.

Holland: There is a single regulator of broadcast media, The Dutch Media Authority (*Commissariaat voor de Media*). It is an independent administrative body.

Ireland: There is a single regulator for commercial broadcast media – the Independent Radio and Television Commission (IRTC)

South Africa: Following the merger in July 2000 of the Independent Broadcasting Authority (IBA) and the South African Telecommunications Authority (SATRA) there is now a single regulator for broadcasting and telecommunications, the Independent Communications Authority of South Africa (ICASA).

Comments: In an era of increasing convergence of media platforms, and the proliferation of delivery mechanisms, to have separate regulators for each media is no longer appropriate. Where once 'radio' was only receivable on a dedicated radio set, it is already apparent that 'radio' can be received in wireless forms – via radio sets, (analogue and digital) and mobile phones - and in wired forms - via cable, satellite and the Internet. This proliferation of methods for receiving radio is likely to continue, and cause further blurring of the traditional boundaries between media. For example, listening to a radio station on the Internet, whilst watching a live video

feed from a studio web-cam, already gives rise to some definitional difficulties.

What this research illustrates is the timeliness of the recent UK Government proposal to form a single unitary regulatory body, OFCOM. We do believe, however, that it is not appropriate to lump together commercial and community broadcasters – whose aims and aspirations are quite separate – and that there should be a department within the new regulatory body with specific responsibility for community media.

Frequency allocations and associated technical constraints

Australia: “The vast majority of community radio stations in Australia broadcast on FM. Of the 206 community stations licensed currently, fewer than 5% broadcast on AM. Access to the spectrum is free to community broadcasters. In addition, the Broadcasting Services Act stipulates that community services must provide programmes that can be received by commonly available equipment, and are made available free to the general public. Licences are awarded for a period of five years.”

Canada: “Community broadcasters predominantly use the FM waveband and tend to broadcast on relatively low power frequencies. Full licences run for up to 7 years. In addition to the full licences, The CRTC has introduced ‘Developmental Licences’ so that community groups can transmit on 5 watt licences to establish and build community support prior to application for full licences. They are allowed to sell advertising and the developmental licences run for up to three years.”

France: “Authorisation to broadcast is issued free of charge by the regulator (CSA). All licences are for fixed terms (normally five years) and are non-transferable. The majority of stations broadcast on FM frequencies.”

Holland: “The standard licence term is for 5 years. Applications for a local broadcasting licence are handled by the Media Authority in consultation with the relevant local municipality. The licensee (the local radio station) is eligible to apply for both an FM and a cable licence simultaneously. Most of the 336 stations are primarily involved with radio only, though around 100 of these stations transmit radio (on FM) and television (on cable). 100 stations also transmit a local cable newspaper, and 50 produce a teletext service.”

Ireland: “The standard licence term for stations in the community strand is five years, though the IRTC retains the right to vary the terms and conditions of each individual licence. All stations broadcast on FM frequencies.”

South Africa: “The majority of community stations broadcast on FM frequencies. There are 92 community services currently operational on FM frequencies, and 8 on AM frequencies. There are two types of licences – temporary 12-month licences, and more permanent 4-year licences. Licensees sometimes share frequencies where there is limited spectrum availability but more than one applicant.”

Comments: There has been some discussion in the UK about the most appropriate delivery platform for the new tier of services. It has been suggested that cable and

the Internet should be used, and if freely-radiating frequencies are to be used, these should be restricted to the AM band.

All the evidence from our research shows that the best delivery method is FM, and we conclude that given spectrum availability, all UK community radio stations in the new tier should be offered FM frequencies. Only in those situations where FM is genuinely not available should AM be considered. Those broadcasters wishing to use cable, satellite or the Internet can already do so, with a minimum of regulation, and it is anticipated that this will continue to be the case.

The length of licence term varies from 12-months in South Africa to 7-years in Canada, with the other four countries operating 5-year licences. In the UK under the current system ILR licences are offered for eight years. It is therefore our view that Community Radio licences should be offered for at least five, and preferably for eight years.

Economic bases of the community radio sector and rules on funding sources

This has been one of the most contentious issues in the UK. Whilst there is considerable agreement about the establishment of a new tier of radio services, the single issue that has generated most debate is the question of how they should be funded.

We offer here a summary of the main rules relating to funding in each of the six countries.

Australia: “Australia has an independent funding body for community broadcasting, the Community Broadcasting Foundation Ltd. (CBF), which receives an annual grant from the Department of Communications, Information Technology and the Arts plus a smaller grant from the Aboriginal and Torres Strait Islander Commission. It is independent from the Government and from the community broadcasting organisations that it funds.

Community Radio stations are prohibited from carrying advertising, but may broadcast up to 5 minutes of sponsorship announcements per hour.

The sector as a whole can be described as economically impoverished yet many stations are doing well, especially larger stations in metropolitan locations.”

Canada: “All categories of community stations are allowed to carry advertising. Across the sector, however, no more than 25% of income derives from this source. Some large urban stations do well from advertising income, other stations either are unable to generate sufficient advertising revenue, or chose not to generate income commercially.

Some stations are eligible for Government funding, though the amount of public funds that are earmarked specifically for radio are limited and stations can have more success applying for arts council, multicultural ministries and Trusts and Foundations funding.

Stations rely heavily on listener support through on-air funding drives.”

France: “Most of the finance for community radio stations, known as ‘Category A stations’, is ensured by the *Fond de Soutien à l’expression Radiophonique* (Fund for the Support of Expression by Radio – FSER). This fund is made up of taxes levied on the advertising revenue of the mainstream broadcast media. Money from the fund is allocated to the stations on an annual basis by an independent commission.

In return for this financial support, the category A stations are committed to not gaining more than 20% of their annual turnover from advertising or sponsorship.

There is widespread concern that there is not enough money to go around, and though there are some financially secure stations, many struggle to remain on-air due to a lack of funds.”

Holland: “Some stations get part of their funding from an optional surcharge levied by local municipalities. Apart from this optional surcharge, local stations do not get any other government funding, and have to seek funding from a range of sources, including advertising, sponsorship, membership fees, and donations. Advertising is permitted on the basis that it does not exceed fifteen percent of the entire programme service provided on a given day, and is also limited to a maximum of 12 minutes per hour.

Some stations in larger cities depend completely on advertising income, but the research shows that for the bulk of stations advertising is complimentary to other sources of funding.”

Ireland: “The IRTC supports the approach that community stations should be funded from a diversity of sources, with no more than 50% of income coming from any one source. Stations are allowed to broadcast advertisements and sponsorship announcements which relate to work, events, businesses or services that exist in the specified area. Stations also rely on grant aid from local authorities and other sources.

Whilst funding remains an issue for all stations, it is not a critical one since the majority of stations are financially stable.”

South Africa: “Stations operate using a diversity of sources of income, and there are no regulator imposed funding restrictions. Both advertising and sponsorship are permitted, though these proved only limited amounts of revenue to most stations. International donors make a significant contribution to the sector in some areas. The research suggests that advertising and donor support appear to be the most significant funding sources for the sector, but that overall community radio in South Africa is seriously under funded and struggling to survive.”

Comments: The research reveals a coherent picture in all six countries. A handful of stations, predominantly in metropolitan areas, enjoy relative financial stability, whilst the majority face real struggles to secure adequate funding. In all countries advertising and/or sponsorship is permitted, and an emphasis is placed on a mixed funding approach.

Central funding ranges from the largely non-existent in Ireland and South Africa, to

the sizeable in Australia and France, with Holland and Canada both relying heavily on support from listeners.

There is no evidence to suggest that allowing community stations to carry advertising and/or sponsorship has had any adverse effects on commercial broadcasters, and beyond a small minority of stations, advertising revenue only makes up a small proportion of income.

In the UK context it would seem reasonable, however, to limit the amount of revenue a community station is able to generate from advertising, not just to satisfy the demands of the commercial radio lobby, but to help ensure that the new stations do not become over-reliant on this method of funding, and thereby forced to adopt commercial programming strategies in order to maximize their audiences.

What the research also shows is that where a central fund exists – as in France and Australia – it is best administered by an independent body, and that it should be used to provide ongoing support on an annual basis, and not just to fund start-up costs.

It is our view that community radio should be a truly distinctive sector, not just in terms of its programming, and how it is defined and regulated, but also in terms of how it is funded, and that an approach based on a plurality of income sources is by far the best system for the UK.

The sector in the context of the wider media landscape

It is apparent across all six of the countries that community radio provides a valuable additional sector. For the majority of listeners it offers a type of broadcasting wholly unavailable from other stations in the locality, and for some it may be the only station available. A number of features help to distinguish community radio, these include:

- strict rules on ownership and management of the station;
- a supportive regulatory framework;
- programming that is specifically designed to serve the community;
- close relationships between audiences and broadcasters - who are often one and the same.

What the research also indicates, however, is the pressing need for audience research specifically related to this sector. Current quantitative systems of measurement, based on 'reach' and 'share', are ineffective for use with community stations that are not driven by the principal desire for audience maximisation. Whilst public service broadcasters and commercial operators both need to demonstrate significant listening figures, to justify, on the one hand, their share of the licence fee, and on the other, the demands of shareholders, community stations have a different agenda. Instead, detailed qualitative research is likely to be the best method for researching audiences for community stations. In countries where this takes place, notably Holland, surveys have revealed tremendous loyalty amongst listeners, and considerable 'listener satisfaction'.

We believe that appropriate audience research is crucial for a full understanding of

the value of community radio, and of the benefits it can bring to the communities it is licensed to serve.

Social characteristics – programming, audiences, staff and supporters

Australia: “Community broadcasters are required by the Broadcasting Services Act to widen the community’s involvement and participation in broadcast media, and give access to and serve those denied access or not served by other media. The community radio sector attracts a large amount of volunteers (around 25,000). Some stations are run on a completely volunteer base whilst others have a mix of paid staff and volunteers. The sector is recognised as providing important training (much of it informal) to volunteers and staff that often provides an access point for careers in mainstream broadcasting. The Community Broadcasting Association of Australia (CBAA) is the representative body.”

Canada: “Community radio in Canada consists of a varied collection of categories reflecting the particular linguistic and cultural diversity of the general population. It is generally well supported by the communities it serves and draws upon a large number of volunteers. Some large stations draw on a pool of up to 300 volunteers.

The National Campus and Community Radio Association (NCRA) provides developmental materials and advice and networking services to member stations. It also represents their interests to Government, the CRTC and other agencies.”

France: “The main organisation representing community radio stations in France is the *Confederation Nationale de Radio Libres* (National Confederation of Free Radios – CNRL). Amongst other functions it has a co-ordinating role for the sector, and helps to facilitate training and development projects. Most of the people working on the Free Radio stations are volunteers, supported by a small group of paid employees, mostly in management positions.”

Holland: “OLON (*Organisatie van Lokale Omroepen in Nederland* or Dutch Federation of Local Public Broadcasters) is formally recognised by the Dutch Government as the official body for local broadcasting organisations in the Netherlands, and receives financial support from the government. It fosters the national network of local broadcasters and provides training materials, courses and workshops, it also organises an annual radio and television competition (RTV Festival) and conducts audience research.

The overwhelming majority of station personnel are volunteers – especially in small villages and rural communities. OLON estimates that there are over 20,000 people involved with local broadcasting in the Netherlands.”

Ireland: “The station is accountable to the community, and the community are in control of, and therefore responsible for, the station. Volunteers make up the vast majority of station personnel, though evidence suggests that two full time members of staff per station are necessary to enable stations to reach their full potential.

The sector is characterised by close co-operation between the stations and the regulator. A *Community Radio Officer* was appointed in mid-1995, and a

Community Radio Forum was subsequently established to provide an opportunity for inter-station communication and exchange. There is also a *Community Radio Support Scheme*, funded by the regulator, to support evaluation, development, and networking between stations.”

South Africa: “The National Community Radio Forum (NCRF) represents the interests of community radio in South Africa. Programming for community stations is to a large extent proscribed by the Broadcasting Act in that it must relate to and be influenced by the needs of the communities served, it must provide diversity in format and languages, must reflect the cultures of the communities served and must promote South African identity.

Community stations are required to have 2 permanent members of staff that includes the station manager. Many stations are highly dependent on a volunteer base.”

Comments: Community Radio has the potential to generate and harness tremendous enthusiasm and commitment amongst people living in the local area. The sheer numbers of people acting as volunteers in the examples we have looked at is truly remarkable. This inclusivity is yet another defining characteristic of community radio. It demonstrates the clear connections between the station, and the communities it is licensed to serve.

Volunteers perform a wide range of roles in community stations –including administration, technical support, production, and presentation. They are supported in these activities by the stations themselves, who usually provide training workshops, and by the representative organisations in each of the countries, which often organise development activities, and help to foster networking between stations.

These training activities, and the support of the representative organisations are vital for the success of the stations, but the research suggest they need to be supplemented, wherever possible, by some full-time members of staff, to provide continuity.

CHAPTER EIGHT – DISCUSSION AND RECOMMENDATIONS

Having laid out in some detail the salient features of Community Radio in the six countries under discussion, and offered a comparative analysis of these, in this section of the report we make some specific recommendations related to the development and implementation of the proposed ‘Access Radio’ scheme in the UK. We have related our proposals to the distinctive contexts that prevail in the UK, and have avoided simply taking examples from elsewhere on an *ad hoc* basis.

What follows is a brief discussion of each of our recommendations. The recommendations themselves are then summarised at the end of the report.

1) ‘Access’ or ‘Community’?

There is the potential for some considerable confusion over the title of this new tier of radio services. The term ‘Access Radio’ has been used in many of the debates because it is felt by some, including the Commercial Radio lobby, and the Radio Authority, that some existing commercial services can claim to be providing a service to their local communities. It is also the case that some BBC services could make similar claims.

The difficulty arises from the fact that neither existing commercial operations, or the BBC conform to existing internationally accepted definitions of community radio. Commercial stations are operated for the purpose of making profits, and have a primary responsibility to their shareholders in this respect. The BBC, funded by the licence fee, operates under clear public service guidelines, and these are by no means identical to the ethos of community radio. It is also evident from the research that it would be a mistake to equate ‘localness’ with ‘community’.

A further difficulty arises in that the term ‘Access Radio’ can be seen to describe a very different type of radio service, where the station is not primarily a broadcaster, but operates as a ‘publisher’ of programmes.

Using the term ‘Community Radio’, as the sector is described in all other English-speaking countries, will clearly indicate to everyone the status and purpose of the new sector. It is also the term commonly used by such international institutions as UNESCO, the United Nations Development Programme, the World Bank, and the International Telecommunications Union. In addition it will allow the new stations to be clearly associated with international organisations that work to support the sector, such as AMARC, (the World Association of Community Radio Broadcasters).

It is therefore recommended that the new tier be clearly referred to in legislation, and thereafter, as Community Radio.

2) How should these stations be defined?

Whilst there are some differences in the definition of community radio within each of the six countries, there are also a number of distinctive characteristics that they

share in common:

In each case community radio is defined as:

- Explicitly constituted as ‘non profit distributing’;
- Designed to serve specific communities – both geographically-based and ‘communities of interest’;
- Having management structures that are representative of the communities that the station is designed to serve;
- Providing programming that is relevant to the community being served.

These four guiding principles provide a clear definition of the purposes of Community Radio stations, which distinguish them from other radio services, and should in our view be used as the benchmark criteria when allocating licences in the UK.

We also believe that Community Radio stations in the UK should be urged to subscribe to the Community Media Charter developed by AMARC-Europe, and adopted in the UYK by the CMA. This charter, which has been widely adopted by many Community Radio stations across Europe, seeks to clearly distinguish this sector from other providers of radio broadcasting services, and offers a useful framework for the development of the new sector in the UK.

Who should be eligible for one of these licences?

It is our view that commercial groups should be explicitly prohibited from holding these new licences – which would mean that only those groups which wholly conform to the four guiding principles listed above, and in particular to the restrictions on profit distribution, would be eligible.

There is a need to consider the issue of hospital and student stations, as well as other applicant groups, such as religious festivals. For the most part it is likely that most of these stations will continue to operate RSLs – either short-term on FM, or longer-term on low-powered AM, but there will be some who wish to apply for one of the new licenses. In our view, provided they adhere to the four guiding principles, there is no reason why such groups should be specifically excluded from the new category of licenses.

Staffing:

It is anticipated that these stations will largely operate with a volunteer staff, though the research indicates that to maintain continuity and financial security a small team of paid staff is highly desirable. It is suggested that each station should have at least two full-time members of staff wherever this is practical, as is the case in both South Africa and Ireland.

It is expected that each station should be obliged to conduct regular training activities in order to increase the skills base available to the station, and to enhance media literacy within the local community.

Length of licences:

It is our recommendation that subject to a full evaluation of the trial licensees, Community Radio station licences should be issued for eight years, in line with existing practice relating to the award of ILR (Independent Local Radio) licences.

This length of time is long enough for a station to develop a reasonable profile in their local area, and to build links with local groups. It is also necessary for adequate financial planning, for example securing a lease on rented premises, etc. At the end of the licence terms, stations should be invited to re-apply, and provided there is an open scrutiny of the application, there should be no limit on the number of times a single applicant group can hold a licence in a single area. Whilst it may not form part of the formal licensing process, setting up public hearings, where members of the local community can question applicants, may provide valuable feedback.

3) How should the stations be funded?

Whilst there is some variation in the six countries we have examined with regard to legislation about funding, it is our view that the UK model should be based firmly on a mixed funding approach. As we have shown in our comparative analysis, a diversity of funding provides stations with the strongest possible financial basis on which to operate. It avoids over-reliance on a single source of income, such as grant aid, whilst at the same time offering a degree of financial security, through the provision of recurring funding.

The possible sources for this mixed funding approach might include: advertising, sponsorship, central funding (on a continuing basis, and not just for 'start-up' purposes), grants, membership fees, donations, fund-raising activities, hire of facilities, and the provision of training activities to other organisations.

There is considerable agreement amongst interested parties about most of these potential sources of income. Two issues, however, have been the subjects of much debate: these are Advertising and the Radio Fund, and we therefore discuss these in more detail here.

Advertising:

There has been some concern expressed about the possibility, or otherwise, of these new stations carrying advertising. Some commercial radio groups have argued that this would pose a significant threat to the financial stability of commercial stations in specific areas, though it should be pointed out that this is not a view held unanimously by the commercial sector in the UK.

There is no evidence at all in our research that allowing Community Radio to carry local advertising has had any adverse effect on commercial stations operating in the same broadcast area. It is also worth pointing out that under the existing Restricted Service Licence (RSL) scheme in the UK, stations are permitted to carry advertising, and there is no evidence that this has had a negative effect on the revenue streams for commercial stations in the same area.

As a trade-off in return for a guaranteed stream of income from the *Media Fund* (see below), it might prove useful to restrict the overall amount of income generated from a single source to 50% of the total income for a station. This model has worked very well in Ireland, though it is worth pointing out that not a single Community Radio station in Ireland has ever been able to secure funding from advertising that comes anywhere near approaching this figure. This is also the situation in Holland.

In order to allay any remaining fears about the advertising issue, and to ensure the important connections between the local community and the station which serves it, we propose the following restrictions related to advertising:

Community radio stations may only broadcast advertisements that specifically relate to:

- *work* opportunities which exist in the specified area;
- *events* which are to occur in the specified area;
- *businesses* which are carried on in the specified area;
- *services* which are delivered in the specified area.

Subject to these provisions, and the 50% rule referred to above, we believe there should be no other restrictions applied to Community Radio stations, beyond those that already exist for commercial stations. The same rules about the number of minutes of advertising per hour should apply. Further to this, it is, in our view, not the role of the regulator to determine for local businesses where they can place their advertising, and the evidence suggests that any advertising on Community Radio stations will be 'new' money. There is, additionally, the possibility that allowing this new tier of stations to carry advertising may have a beneficial effect on the commercial sector, by helping to raise the profile of radio as an advertising medium.

Radio Fund:

It has already been suggested by the Radio Authority that a *Radio Fund* be established. They have identified a number of potential sources of revenue including:

- Central and local Government funding, with special emphasis upon social inclusion and local area regeneration;
- Lottery funding;
- Revenue drawn from the cash-bids and the percentage of qualifying revenue paid by commercial national radio licensees, currently remitted to Consolidated Funds (the Treasury);
- Charitable foundations, such as the Gulbenkian Foundation;
- Social funds, including, for example, the Gaelic Broadcasting Fund;
- European funds, including the European Social Fund which currently supports short-term radio projects in the UK;
- Donations.

It is notable that a number of potential sources, worthy of consideration, have been

explicitly excluded from this list. These include:

- A proportion of the BBC licence fee;
- A levy on INR stations' advertising revenue;
- A levy on ILR stations' advertising revenue;

Whilst we recognise the political and commercial difficulties involved in finding sustainable sources of income for this fund, we also believe that an element of secure ongoing funding is vital to ensure the success of the sector. We therefore broadly agree with the Radio Authority that the best source would be the revenue drawn from the cash-bids and the percentage of qualifying revenue paid by commercial national broadcasters, though we believe that this should be extended to include radio and television broadcasters, and that the Fund should be a *Media Fund*, not just a *Radio Fund*.

This cross-media approach is in line with the increasing convergence that is already taking place in the media industries, and also in the proposed new regulatory authority OFCOM. The creation of a significant *Media Fund* could provide the vital financial support to enable a wide range of Community Media groups to flourish, and, over time, include radio, television and internet-based projects. We also believe that it is not appropriate to lump together commercial and community broadcasters – whose aims and aspirations are quite separate – and that there should be a department within the new regulatory body with specific responsibility for community media.

We support the Radio Authority's view that the Fund should be used as not only for 'seed corn' money to fund the start-up costs of the stations, but also to provide on-going revenue support. All the evidence from our research shows that Community Radio stations face real financial difficulties, and much of the time and effort of station personnel is devoted to fund-raising rather than concentrating on programme-making. We believe it is important to do whatever can be done to avoid this situation in the UK. Each station could be invited to apply to the Fund on an annual basis, subject to the presentation of audited accounts, and a detailed budget.

For a vibrant lively Community Radio sector to develop and grow, it needs to have some relative financial security. Without this recurring income stream, there is a very real risk that the experiment will wither on the vine, and even with it, most stations will still be faced with real struggles to raise money.

4) What about temporary licences?

Several of the countries we have examined also award temporary licenses. The length of these varies from one year (in Australia) to 14 days (in Ireland), but in all cases they provide a valuable additional tier, and are very popular with specific user groups, such as educational establishments, and sporting event organisers.

The UK RSL scheme has been highly successful in enabling a hugely diverse range of groups to broadcast for short periods of time. The list of users has included prospective applicants for full-time licences, schools, colleges and universities, hospitals, sporting events, religious festivals, and many others including community

radio groups. Indeed for almost all existing community radio groups the RSL scheme has offered them their only opportunities to broadcast.

In our view the RSL scheme should continue, and be further developed, as it would be a tremendous loss if the new tier of Community Radio stations were to herald the demise of the RSL scheme. Whilst some groups may wish to take advantage of the frequency sharing option, it is probable that many community groups will prefer to operate RSLs, and they should be encouraged to do so.

5) What about technical issues and frequency allocation?

All the evidence demonstrates that for this sector to be successful it needs to be freely available within the specified broadcast areas (which may be tightly limited – 5 miles radius for geographical communities) – thus, FM is the best solution.

As other delivery methods – such as Digital Broadcasting - become more widely available to listeners, it will prove necessary to review this situation, but in the first instance, it is recommended that wherever possible FM frequencies should be made available to applicant groups, with the possibility of AM only for those that wish to make use of it where no suitable FM frequency exists.

Cable, Satellite and Internet-based delivery systems have low rates of potential listeners, and are already available to those groups who wish to make use of them with a minimum of regulation. There is nothing in the research which suggests that this situation should alter.

In view of the limited financial resources available to community radio groups, it is our view that there should be no fee for the application and awarding of licences. A proportion of the money available in the *Media Fund* could be used to cover the administrative cost related to processing applications.

Frequency sharing:

Whilst we believe that in general the term 'Access Radio' is misleading, one aspect of the 'access' model that may prove useful is the opportunity for some community groups to share a single frequency.

This is most likely to be workable in urban situations, where a single station may have within its broadcast area several distinctive 'communities of interest', for example, groups which share cultural, social, or linguistic factors in common. Some of these groups may lack the resources or desire to broadcast on a full-time basis, but would welcome the opportunity to be able to broadcast for a few hours each week at clearly defined and publicised times.

Such a scheme has a number of potential advantages:

- It provides opportunities for broadcasting to groups unable to sustain a full-time operation;
- Each community group could share broadcast facilities, thereby saving on set-up and operational costs, though this is not a pre-condition, since each group could also have its own studios and then link to the final transmitter;
- The frequency would get additional publicity, since each group that was

- broadcasting would be able to generate its own publicity for the station;
- It could increase the numbers of people directly addressed by the station, and raise the profile of the station in the community as a whole.

There are also some potential disadvantages:

- The practicalities in administrative and technical terms may prove overly complex;
- Groups may have disagreements about the amount of air-time they have available to them;
- Listeners may find it confusing;

Frequency sharing operates to a limited extent in Australia and also in South Africa, where it has not been fully developed and tested, but we welcome the inclusion of this option in the Radio Authority's pilot scheme, as we believe it may prove a valuable additional dimension to the new tier of stations.

6) What about evaluation and continued research?

There is a clear need for comprehensive evaluation and continued research. The scale of this study is limited due to economic and time limitations, but it demonstrates the benefit of extending this kind of research over the next two to three years. The need for such research is apparent from the amount of interest shown by those we have reported to and those we have approached for information. This in turn is influenced by the lack of material that is accessible and easily comparable, not only internationally but also in national contexts. That is to say, as researchers we have been surprised by the lack of co-ordinated information and data available for the scrutiny of the sector in all of the countries examined.

Whilst many facts about community radio in the six countries examined are presented in this report, it is worth noting that the information the study sought was rarely easily or centrally accessible in any of the countries examined, with the exception of Ireland which has carefully evaluated its recent community radio pilot. Financial information on the sector was especially difficult to uncover. This emphasises the need to put in place a system of evaluation for pilot stations in the UK. Furthermore, once permanent licences are established it will be of great benefit to the short and long term development of the sector to ensure that comprehensive and standardised information is collected and archived centrally.

It would also be, our initial examination tells us, most beneficial to extend the research into the area of audience research. An examination of the social and cultural value and the role of community radio in everyday lives would benefit not only an understanding of the comparative uses and values of community radio, but also the international understandings of the role of community radio in everyday lives – something that legislators and regulators would benefit from being aware of as much as programme presenters, producers, fundraisers and station managers.

SUMMARY OF RECOMMENDATIONS:

1. The new tier of stations should be called *Community Radio*.
2. The stations should be non-profit-distributing, with clearly identifiable links to the communities they are licensed to serve.
3. Management of the stations should be the responsibility of a representative body, which draws its membership from across the community being served.
4. All groups explicitly constituted as 'non-profit distributing' should be encouraged to apply for licences.
5. Licences should be issued for eight years, and be non-transferable.
6. Stations are responsible for providing on-going training and support to their staff – both volunteers and paid.
7. There should be a plurality of funding sources, subject to no more than 50% of income coming from any single source.
8. Stations should be permitted to carry advertising, as long as this relates specifically to the community which the station is licensed to serve.
9. There should be a *Media Fund*, to provide start-up and continuing funding on an annual basis.
10. Wherever possible all stations should broadcast on FM frequencies.
11. Frequency sharing should be considered as an option.
12. The existing *RSL* scheme should continue and be further developed.
13. There should be a department within OFCOM with specific responsibility for community media.
14. Government funding should be made available for the trial scheme to be properly evaluated, and to conduct audience research appropriate to the sector.