



## *Free Trade or a culture-free country?*

*Submission from Jill Greenwell, Secretary, Friends of the ABC (ACT and Region) Inc, on behalf of Friends of the ABC organization in ACT, NSW, Tasmania, SA and WA.*

The ABC Act requires the ABC to broadcast “programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community”. It also requires the ABC to “to encourage and promote the musical, dramatic and other performing arts in Australia.”

While the impact of the agreement on the ability of the ABC Board to give preference to Australian productions is unclear, it does appear, following the decision of the High Court in 1998, that the Australian Broadcasting Authority would not be able to enforce Australian content rules on the broadcasting industry.

Friends of the ABC believe that the ABC Board should have the power to give preference to Australian productions in order to contribute to a sense of national identity, and should have the power to promote the musical, dramatic and other performing arts of Australia above those of other countries. The Australian Broadcasting Authority should retain the power to make Australian content rules for commercial broadcasters.

This submission covers the following topics:

- Why is cultural content important to Australian identity?
- Why is cultural content important to Australian employment?
- Is Australian cultural content at risk under the proposed Free Trade Agreement?
- What did the Australian Government omit in its announcement about the proposed Free Trade Agreement?
- What did the U.S. include in its list of barriers which Australia should bring down?
- The High Court ruling that New Zealand programs must be treated as favourably as Australian programs.

## **CULTURAL CONTENT and AUSTRALIAN IDENTITY**

Friends of the ABC believe that it is crucial for Australians to see our national character reflected in the performing and visual arts. It is through locally-developed literature, film, television and stage performances of dance, drama and documentaries, directed to audiences of varying ages, in diverse regions of Australia, from different backgrounds that a sense of what it is to be Australian develops. In the 1950's and 60's there were very few Australian made dramas, comedies operas and the like on television. Children growing up in that era laughed at "I Love Lucy" and for drama watched "The Naked City" or "Dragnet". These programs, while not without merit, did not reflect Australian culture.

Australia suffers greatly by being an English speaking nation, as does Canada and New Zealand. All of these countries are susceptible to being subsumed by American culture which is fine for Americans, but not for us. Were we French or German speaking, then we would probably have a thriving film and television and radio tradition without the necessity of having local content rules.

- The unique story of Australia's values and characteristics can be told only by people who have experienced that story, in all its cultural and historical diversity.
- The fragility of fostering this awareness arises in part from our small population in an increasingly homogeneous world-Coca-Cola-culture
- That there is an Australian perspective on the world is an essential realization if Australians are not to be absorbed into an amorphous world view dominated by the largest and loudest peoples
- Such an awareness is possible only as long as its development and dissemination are actively supported by government regulation and financial support.
- The difference between the cultural life of Australia in the 1950s and in the 21<sup>st</sup> century illustrates the difference between the days of a derivative culture - whether deriving from England or the United States - and an un-selfconsciously Australian one
- It is instructive to note the position taken by the Australian Government itself on the international Negotiating Proposal on Audiovisual Services, CTS Special Session, July 2001. "Australia has long recognised the essential role of creative artists and cultural organisations in reflecting the intrinsic values and characteristics of our society, and is committed to sustaining our cultural policy objectives within the context of multilateral trade negotiations."
- Since the 1970s Australian content regulations have been legislated for, and regularly updated by the Australian Broadcasting Authority in relation to provision by commercial radio, television, internet services and Pay TV of Australian

content in advertising, drama, documentaries, children's programmes among others

- Government support for Australian film and television production has been significant in ensuring that Australian media reflect Australian identity, character and values

## **CULTURAL CONTENT and AUSTRALIAN EMPLOYMENT**

- “The economic situation of creative artists and producers of cultural content is precarious, and very sensitive to changes in any part of the market.”  
Margaret Meares, Chair of the Australia Council, (*The Australian* 7 May 2001).

She went on to refer to the cross-over of activity within the cultural industries:  
”...actors work for stage and screen, musicians write for concert hall and screen/radio, writers publish for the book market and write for the screen, visual artists create works across the spectrum...”

Reduction of local content would see a reduction in the employment opportunities available to a wide network of creative artists such as these, affecting not only their financial circumstances but the viability of the Australian culture to which they contribute.

- Australian production for film and television simply cannot compete unassisted against the cost structures possible in more heavily populated and wealthy countries, such as the United States
- Strictly Australian subjects do not easily cross cultural borders, although many do. Content, not just cost, needs protection if Australian creative talent is to be able to develop a distinctive style and not be channelled into bland American-style pop culture
- Costs of production in Australia are much higher than in the United States with its market of 300 million people. To make an hour of drama for television in Australia costs between \$300,000 and \$800,000. Comedies are between \$80,000 and \$100,000 per half hour.  
”A network could purchase a high-budget Hollywood drama for less than \$50,000 an hour”  
(Kim Dalton, AFC, *Sydney Morning Herald* 4 Nov 2002)

## **IS AUSTRALIAN CULTURAL CONTENT AT RISK UNDER THE PROPOSED FREE TRADE AGREEMENT?**

- According to the DFAT Background Paper, 'no major sector should be excluded from tariff elimination'. As services as well as trade have become a normal part of FTAs, any service could therefore come under scrutiny.

- Services such as quarantine, foreign investment regulation, pharmaceutical benefits come within the list of 'barriers' which the US would want removed.
- It is not therefore unreasonable to fear that :  
 "They'll want us to exempt US products from local-content quotas in television and advertising. They'll want us to promise ..... to give US firms equal access to any preference for local firms in government purchasing"  
 (Ross Gittins, *Sydney Morning Herald* 8 Dec 02)
- Furthermore, Australia is now 1 of only 5 APEC members that did not sign a leaders' statement requiring signatories to work towards eliminating market restrictions in cable, satellite, advertising and other audio visual sectors.  
 This APEC agreement to liberalise digital and media content regulations is described as "Washington's bid to give Hollywood greater access to Australian screens"  
 (John Garnaut, *Sydney Morning Herald* 4 November)
- Fears that media content regulations will be used as leverage in future US trade discussions were expressed by Kim Dalton, Australian Film Commission:  
 "The US is arguing very strenuously for local content quotas to be reduced or completely abolished"  
 (*Sydney Morning Herald* 4 November)

### **WHAT DID THE AUSTRALIAN GOVERNMENT OMIT?**

In its Background Paper on the proposed Agreement, DFAT listed, in over one and a half pages, 13 barriers to Australian entry into the US market:

Principally agriculture, then processed food, TCF (textiles, clothing and footwear), chemicals, shipbuilding, automotive and other industries, and a range of services.

The only mention of the 'issues of interest to the United States' was a 1- paragraph reference to the website of the US Trade Representative.

Surely these must also be weighed in any consideration of the overall gains of any agreement, especially given the place which services must take, not might take, if any agreement is to be reached

### **WHAT DID THE U.S INCLUDE IN ITS LIST OF BARRIERS WHICH AUSTRALIA SHOULD BRING DOWN?**

In his letter to the Congress and the US Senate, the US Trade Representative listed over 13 'objectives for negotiations with Australia', including:

Trade in industrial goods and agriculture, customs matters, sanitary and phytosanitary measures, technical barriers to trade, intellectual property rights, electronic commerce, government procurement, trade in services, competition, investment.

It is these last three which are open to the interpretation that the Free Trade Agreement could force the abandonment of Australian content rules and the restriction on foreign ownership of media among other culturally significant investment opportunities.

**HIGH COURT RULING AGAINST PREFERENCE FOR AUSTRALIAN PROGRAMS OVER NEW ZEALAN PROGRAMS.**

- Project Blue Sky - in 1998 the High Court of Australia upheld an appeal, finding that part of the ABA's Australian Content Standard was inconsistent with Australia's international obligations under its Closer Economic Relations Agreement with New Zealand - to treat NZ programs as favourably as Australian programs.

If international obligations are paramount, we in believe that Australian content must be excluded from them.