

Article 37

## FINANCIAL REVIEW

News

### Wielding a new big stick

David Crowe

368 words

14 July 2006

[Australian Financial Review](#)

First

20

English

© 2006 Copyright John Fairfax Holdings Limited. [www.afr.com](http://www.afr.com) Not available for re-distribution.

#### Regulation MEDIA SHAKE-UP

The media regulator will gain stronger powers to fight media companies in the courts in a significant expansion of its authority over matters ranging from how takeovers proceed to how programs are aired.

Proceeding despite industry objections, the government will give the Australian Communications and Media Authority four new powers, including the ability to go to the courts to impose fines.

Spurred on by the recent Big Brother controversy, federal cabinet approved the powers in the hope they would enable the authority to act more quickly against breaches.

Communications Minister Helen **Coonan** yesterday announced the changes in the same form she proposed in a discussion paper last November, indicating that the industry had been largely unsuccessful in watering the proposals down.

However, media companies are hoping for some discussions about how the powers will be used and how they can prevent them from being abused.

The four new powers are:

- \* Seeking civil penalties including fines for breaches;
- \* Obtaining injunctions in court where commercial broadcasting services are being provided without an appropriate licence;
- \* Agreeing on court-enforceable undertakings with media and internet companies, forcing them to change their behaviour if required; and
- \* Issuing infringement notices for minor breaches of the Broadcasting Services Act, such as flouting reporting requirements.

The debate over the authority's power stretches back to 2000 when one of its predecessors, the Australian Broadcasting Authority, struggled to act against radio commentators in the cash-for-comment scandal that engulfed broadcasters including Alan Jones and John Laws.

At one point the ABA found that it could only take action against Mr Jones by referring the matter to the Director of Public Prosecutions, who eventually decided against launching a criminal case.

In other cases, the regulator has faced challenges enforcing agreements with companies that sought to merge.

The major free-to-air networks said they complied with industry rules and called for the new powers to be used sparingly.

"These strong new powers should only apply where there has been a demonstrated failure to meet any of these responsibilities or obligations," said Free TV chief executive Julie Flynn.

Document AFNR000020060713e27e0004v

More Like This

**Related Factiva Intelligent Indexing™**

[+](#)

© 2006 Dow Jones Reuters Business Interactive LLC (trading as Factiva). All rights reserved.  
UI 22.10.0 - Wednesday, June 21, 2006 8:15:06 AM