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RADIO AND TELEVISION SERVICES

AUSTRALIA

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- For further information about these and related statistics, contact David Brunt on Melbourne 03 9615 7726, or any ABS office shown on the back cover of this publication.

NOTES

ABOUT THIS PUBLICATION

This publication presents results, in respect of the 1996–97 financial year, from an Australian Bureau of Statistics (ABS) census of businesses in the radio and television services industries. This is the second ABS survey of these industries, with the previous collection being conducted in respect of 1993–94.

This publication has three parts, the first part presents data about private broadcasters in the radio services industry, the second, about private broadcasters in the television services industry and the third, summary information about public broadcasters in the radio and television services industries.

This publication is one of a series issued in respect of 1996–97 covering cultural industries, which were partially funded by the Cultural Ministers' Council. Other publications in this series are:

- *Commercial Art Galleries, Australia, 1996–97* (Cat. no. 8651.0)
- *Film and Video Production and Distribution, Australia, 1996–97* (Cat. no. 8679.0)
- *Libraries and Museums, Australia, 1996–97* (Cat. no. 8649.0)
- *Motion Picture Exhibition, Australia, 1996–97* (Cat. no. 8654.0)
- *Performing Arts Industry, Australia, 1996–97* (Cat. no. 8697.0)
- *Sound Recording Studios, Australia, 1996–97* (Cat. no. 8555.0)
- *Zoos, Parks and Gardens Industry, Australia, 1996–97* (Cat. no. 8699.0)

COMMENTS ON THIS PUBLICATION

The ABS welcomes comments and suggestions from users recommending industries and data items for inclusion in future service industries surveys. These comments should be addressed to the Director, Service Industries Surveys, PO Box 10, Belconnen, ACT, 2616.

SYMBOLS AND OTHER USAGES

ABA	Australian Broadcasting Authority
ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
n.a.	not available
n.p.	not available for publication but included in totals where applicable
..	not applicable
—	nil or rounded to zero

Where figures have been rounded, discrepancies may occur between the sum of the component items and the total.

W. McLennan
Australian Statistician

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SECTION 1

RADIO SERVICES — PRIVATE BROADCASTERS

INTRODUCTION

Private broadcasters in the radio services industry are private businesses and organisations classified to Class 9121 of the Australian and New Zealand Standard Industrial Classification. This industry covers businesses mainly engaged in radio broadcasting, collection of news for radio services, and the production of radio programs for own use, whether live or on tape or other recording medium.

For the purposes of this publication, private broadcasters have been divided into commercial, community and other (mainly narrowcast and aspirant) broadcasters. Tables 1.1 to 1.4 contain key aggregates for private broadcasters and each of their components, table 1.5 contains information about volunteers working for community radio broadcasters, while tables 1.6 to 1.10 provide detailed information in respect of commercial and community broadcasters.

TYPES OF BUSINESSES

At the end of June 1997, there were 261 employing private broadcasters in the radio services industry, consisting of 103 commercial broadcasters, 121 community radio broadcasters and 37 other broadcasters (mainly narrowcast and aspirant businesses). The 261 employing private broadcasters operating at June 1997 represented a small decrease from the 265 employing private broadcasters operating at the end of June 1994. This reduction in the number of private broadcasters was mainly due to a decline of 14 in the number of commercial radio broadcasters since June 1994.

SIZE OF INDUSTRY

At the end of June 1997, the 261 private broadcasters in the radio services industry employed 5,064 persons and generated total income of \$623 million in respect of 1996–97. The industry employment of 5,064 persons represented an increase of 5% since June 1994.

While industry total income increased by 21% between 1993–94 and 1996–97, total expenses increased by only 7% in the same period. This has resulted in an operating surplus for 1996–97 of \$93 million, compared to only \$19 million in 1993–94.

The industry gross product of the private broadcasters industry in 1996–97 was \$343 million.

SOURCES OF INCOME

Private broadcasters in the radio services industry in 1996–97 generated total income of \$623 million. The main source of income was the sale of airtime (\$546 million) which represented 88% of total income. Income from the sale of airtime has increased by 14% since 1993–94.

EXPENDITURE

Total expenses for private broadcasters in the radio services industry in 1996–97 were \$530 million. Labour costs of \$197 million accounted for 37% of the total expenses. Labour costs accounted for only 34% of total expenses in 1993–94.

PROFITABILITY

In 1996–97, private broadcasters in the radio services industry had an operating surplus of \$93 million. Commercial radio broadcasters were the main contributors to this operating surplus and had an operating profit margin of 16%, a significant improvement on the operating profit margin of 3.7% recorded in 1993–94.

1.1 KEY AGGREGATES, By Type of Private Broadcaster

	<i>Commercial</i>	<i>Community</i>	<i>Other</i>	<i>Total</i>
Businesses at end June (no.)	103	121	37	261
Employment at end June				
Full-time (no.)	3 304	278	100	3 682
Part-time (no.)	1 057	221	104	1 382
Total (no.)	4 361	499	204	5 064
Volunteers during June (no.)	—	10 343	860	11 203
Income				
Gross income from the sale of airtime (\$m)	529.3	8.8	7.7	545.8
Funding from government (\$m)	0.1	7.0	1.0	8.1
Program sales (\$m)	10.3	0.1	2.6	13.0
Other income (\$m)	45.2	7.8	2.7	55.7
Total (\$m)	584.8	23.8	14.0	622.7
Expenses				
Labour costs (\$m)	181.8	9.7	5.1	196.6
Payments to freelancers (\$m)	24.3	0.3	1.2	25.8
Other expenses (\$m)	286.3	12.3	9.2	307.8
Total (\$m)	492.4	22.3	15.4	530.1
Operating surplus/loss (\$m)	92.5	1.3	-1.2	92.6
Operating profit margin (%)	16.0	n.a.	n.a.	n.a.
Industry gross product (\$m)	325.4	12.7	4.5	342.7

1.2 KEY AGGREGATES, Historical Comparisons

	1993-94	1996-97
Businesses at end June		
Commercial broadcasters (no.)	117	103
Community broadcasters (no.)	130	121
Other broadcasters (no.)	18	37
<i>Total (no.)</i>	265	261
Employment at end June		
Full-time (no.)	3 779	3 682
Part-time (no.)	1 050	1 382
<i>Total (no.)</i>	4 829	5 064
Income		
Gross income from the sale of airtime (\$m)	477.6	545.8
Funding from government (\$m)	6.1	8.1
Program sales (\$m)	1.9	13.0
Other income (\$m)	28.2	55.7
<i>Total (\$m)</i>	513.9	622.7
Expenses		
Labour costs (\$m)	169.6	196.6
Payments to freelancers (\$m)	18.8	25.8
Other expenses (\$m)	306.9	307.8
<i>Total (\$m)</i>	495.3	530.1
Operating surplus (\$m)	18.5	92.6
Industry gross product (\$m)	261.3	342.7

EMPLOYMENT

At the end of June 1997, there were 5,064 persons working for private broadcasters in the radio services industry. A further 11,203 persons worked for community, aspirant and narrowcast broadcasters on a volunteer basis during June 1997.

Commercial radio broadcasters' employment of 4,361 persons represented 86% of industry employment.

Of the 5,064 persons employed in the industry, 3,682 (73%) worked on a full-time basis, with the remaining 27% of persons working on a part-time basis. Commercial broadcasters had the highest proportion of full-time employees with 76% of employees working full-time, compared to 56% of employees of community radio broadcasters.

Male employment accounted for 59% of total employment. Commercial broadcasters and community radio broadcasters each had 60% males and other broadcasters had 51% males.

Persons engaged predominantly in on-air activities (2,032 persons) accounted for 40% of total employment. A total of 1,485 males were engaged predominantly in on-air activities which represented 73% of all persons engaged in on-air activities. Other major employment groupings included management and administration (983 persons) and sales and marketing staff (1,365 persons).

1.3 EMPLOYMENT, By Type of Broadcaster

Type of broadcaster	FULL-TIME.....			PART-TIME.....			TOTAL.....		
	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
	no.	no.	no.	no.	no.	no.	no.	no.	no.
Commercial	2 063	1 241	3 304	545	512	1 057	2 608	1 753	4 361
Community	167	111	278	131	91	221	298	201	499
Other	54	46	100	51	53	104	105	99	204
Total	2 284	1 398	3 682	726	656	1 382	3 010	2 054	5 064

1.4 PERSONS WORKING

	FULL-TIME.....			PART-TIME.....			TOTAL.....		
	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
Employees									
Management and other administration (no.)	303	409	712	51	221	271	353	630	983
Persons predominantly engaged in on-air activities (no.)	1 084	363	1 446	401	185	585	1 485	547	2 032
Sales and marketing (no.)	629	515	1 144	98	123	221	727	638	1 365
Technical and engineering (no.)	n.p.	n.p.	170	n.p.	n.p.	35	196	9	205
Other employees (no.)	n.p.	n.p.	210	n.p.	n.p.	270	249	230	480
<i>Total (no.)</i>	2 284	1 398	3 682	726	656	1 382	3 010	2 054	5 064
Contribution to total (%)	45.1	27.6	72.7	14.3	13.0	27.3	59.4	40.6	100.0
Freelancers/contract persons (no.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	422
Volunteers during month of June (no.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6 534	4 669	11 203

Community radio services

Community radio broadcasters employed 499 persons at the end of June 1997, but were more reliant on volunteers who totalled 10,343 during the month of June 1997. These volunteers were mainly engaged in on-air activities (79%).

1.5 VOLUNTEERS IN COMMUNITY RADIO

<i>Type of volunteer</i>	<i>Males.....</i>		<i>Females.....</i>		<i>Persons.....</i>	
	<i>no.</i>	<i>%</i>	<i>no.</i>	<i>%</i>	<i>no.</i>	<i>%</i>
Management and other administration	417	7.0	364	8.4	781	7.6
Persons predominantly engaged in on-air activities	4 761	79.5	3 358	77.2	8 120	78.5
Sales and marketing	98	1.6	85	2.0	183	1.8
Technical and engineering	175	2.9	15	0.3	190	1.8
Other volunteers	541	9.0	528	12.1	1 069	10.3
Total	5 992	100.0	4 351	100.0	10 343	100.0

COMMERCIAL AND COMMUNITY BROADCASTERS

Sources of income

The main source of income for commercial broadcasters was the sale of airtime which accounted for \$529 million and represented 91% of their total income of \$585 million. Other identified sources of income were program sales of \$10 million earned by 7 commercial broadcasters and interest income of \$6 million earned by 68 commercial broadcasters.

Community broadcasters had a total income of \$24 million. The three main sources of income for community radio broadcasters were sale of airtime of \$9 million (37% of total income), government funding of \$7 million (30% of total income) and subscription and membership fees of \$2.4 million (10% of total income).

1.6 COMMERCIAL AND COMMUNITY BROADCASTERS, Sources of Income

	COMMERCIAL BROADCASTERS.....			COMMUNITY BROADCASTERS.....		
	<i>Businesses at end June</i>	<i>Proportion of total income Value</i>	<i>Proportion of total income %</i>	<i>Businesses at end June</i>	<i>Proportion of total income Value</i>	<i>Proportion of total income %</i>
	no.	\$m	%	no.	\$m	%
Sales of goods and services						
Gross income from the sale of airtime	103	529.3	90.5	115	8.8	37.0
Income from the production of commercials	41	1.5	0.3	34	0.4	1.7
Income from subscription and membership fees	—	—	—	107	2.4	10.1
Program sales	7	10.3	1.8	12	0.1	0.4
Other royalties income	16	1.0	0.2	4	0.1	0.4
Retail sales of goods	5	0.1	—	45	0.2	0.8
Rent, leasing and hiring income	34	1.4	0.2	41	0.7	2.9
Other operating income	65	34.9	6.0	111	3.6	15.1
<i>Total</i>	<i>103</i>	<i>578.5</i>	<i>98.9</i>	<i>121</i>	<i>16.4</i>	<i>68.9</i>
Other sources of income						
Funding from government	8	0.1	—	97	7.0	29.4
Interest income	68	6.3	1.1	106	0.3	1.3
<i>Total</i>	<i>68</i>	<i>6.3</i>	<i>1.1</i>	<i>121</i>	<i>7.4</i>	<i>31.1</i>
Total	103	584.8	100.0	121	23.8	100.0

Expenditure

Commercial broadcasters had total expenses of \$492 million in 1996–97. Labour costs of \$182 million represented 37% of the expenses of commercial broadcasters. Payments to freelancers mainly engaged in broadcasting and/or production activities accounted for \$24 million of total expenses.

Advertising and marketing expenses totalled \$26 million comprising advertising expenses of nearly \$15 million and marketing, promotions and sponsorship expenses of \$11 million.

Other significant expenses incurred by commercial broadcasters included \$25 million in commissions to advertising agencies/brokers, \$15 million in the purchase of program rights and a further \$10 million in other royalties expenses.

Other selected expenses were \$94 million and included expenses such as: motor vehicle running expenses; legal, audit and other accounting expenses; and postal, paper, printing and stationery expenses.

Community broadcasters incurred total expenses of \$22 million during 1996–97. Labour costs of almost \$10 million were the largest expenses and accounted for 44% of total expenses.

Other major expenses for community broadcasters were depreciation and amortisation (\$2 million), telecommunication service expenses (\$1 million) and repair and maintenance expenses (\$1 million).

Other selected expenses were \$4.7 million and included expenses such as: paper, printing and stationery expenses; postal and courier services; travel and conference expenses; and contract, subcontract and commission expenses.

1.7 COMMERCIAL AND COMMUNITY BROADCASTERS, Items of Expenditure

	COMMERCIAL BROADCASTERS		COMMUNITY BROADCASTERS	
	<i>Proportion of total expenses</i>		<i>Proportion of total expenses</i>	
	<i>Value</i>	<i>%</i>	<i>Value</i>	<i>%</i>
	\$m	%	\$m	%
Labour costs				
Wages and salaries	170.7	34.7	9.1	40.8
Employer contributions to superannuation funds	10.0	2.0	0.5	2.2
Workers' compensation costs	1.1	0.2	0.1	0.4
<i>Total</i>	<i>181.8</i>	<i>36.9</i>	<i>9.7</i>	<i>43.5</i>
Selected expenses				
Payroll tax	10.7	2.2	0.3	1.3
Payments to freelancers	24.3	4.9	0.3	1.3
ABA radio licence fees	11.4	2.3	—	. .
Repair and maintenance expenses	4.4	0.9	0.8	3.6
Program rights purchased	14.7	3.0	0.4	1.8
Other royalties expenses	10.4	2.1	0.5	2.2
Telecommunications services	10.5	2.1	0.9	4.0
Rent, leasing and hiring of communication and transmission equipment	5.3	1.1	0.5	2.2
Commissions to advertising agencies/brokers	24.6	5.0	0.1	0.4
Advertising expenses	14.8	3.0	0.2	0.9
Marketing, promotions and sponsorship expenses	11.6	2.4	0.6	2.7
Training services provided by other businesses	1.1	0.2	0.2	0.9
Other management and administrative services	10.2	2.1	0.2	0.9
Surveys and ratings report expenses	3.9	0.8	—	. .
Other selected expenses	94.0	19.1	4.7	21.1
<i>Total</i>	<i>252.0</i>	<i>51.2</i>	<i>9.9</i>	<i>44.4</i>
Other costs				
Purchases of goods and materials	1.2	0.2	0.4	1.8
Interest expenses	34.8	7.1	0.2	0.9
Depreciation and amortisation	18.7	3.8	2.0	9.0
Bad and doubtful debts	3.9	0.8	0.2	0.9
<i>Total</i>	<i>58.6</i>	<i>11.9</i>	<i>2.7</i>	<i>12.1</i>
Total	492.4	100.0	22.3	100.0

Business size

Commercial broadcasters were dominated by the four commercial broadcasters which had employment of 100 persons or more at the end of June 1997. These four businesses accounted for 42% of total employment (1,838 persons) and 52% of total income of commercial broadcasters (\$306 million). The operating profit margin for these four businesses was 20%, which was 4% above the average operating profit margin of 16% recorded for all commercial radio broadcasters.

In contrast to commercial broadcasters, community broadcasters were mainly small businesses in terms of employment with 94 broadcasters (78% of all community broadcasters) having employment of four persons or less. However, these small businesses accounted for only 27% of the employment (133 persons) and 37% (\$9 million) of the total income of community broadcasters.

There were five community radio broadcasters with employment of 20 or more persons. These five businesses employed 158 persons (32% of total employment of community broadcasters) and received \$6 million in income representing 23% of the total income of community broadcasters.

1.8 COMMERCIAL AND COMMUNITY BROADCASTERS, Business Size

Business size	Businesses at end June.....		Employment at end June.....		Total income....		Operating profit margin
	no.	%	no.	%	\$m	%	%
COMMERCIAL BROADCASTERS							
0-4 persons	4	3.9	13	0.3	2.3	0.4	39.1
5-9 persons	10	9.7	64	1.5	6.2	1.1	-1.1
10-19 persons	30	29.1	439	10.1	38.5	6.6	16.6
20-49 persons	43	41.7	1 233	28.3	121.1	20.7	14.5
50-99 persons	12	11.7	775	17.8	110.3	18.9	5.8
100 or more persons	4	3.9	1 838	42.1	306.4	52.4	20.4
Total	103	100.0	4 361	100.0	584.8	100.0	16.0
COMMUNITY BROADCASTERS							
0-4 persons	94	77.7	133	26.7	8.8	37.0	n.a.
5-9 persons	13	10.7	90	17.9	4.1	17.2	n.a.
10-19 persons	9	7.4	119	23.8	5.4	22.7	n.a.
20 or more persons	5	4.1	158	31.6	5.5	23.1	n.a.
Total	121	100.0	499	100.0	23.8	100.0	n.a.

States and Territories

The 40 commercial radio broadcast businesses operating in New South Wales had employment of 1,803 persons (41% of total commercial broadcasters' employment) and accrued income of \$258 million (44% of total commercial broadcasters' income) which was greater than the New South Wales share (34%) of the Australian population.

While there were more commercial radio broadcast businesses operating in Queensland than in Victoria, the 20 businesses operating in Victoria accounted for 21% of total income compared to the 14% of total income generated by the 22 commercial broadcasters operating in Queensland.

Of the 121 community broadcast businesses, 42 community broadcasters (35%) operated in New South Wales, however, these businesses accounted for only 20% of the total employment and 25% of the total income of community broadcasters. The 30 community broadcasters operating in Victoria accounted for 28% of total employment and 19% of total income. The 9 community broadcasters operating in Western Australia accounted for 11% of employment and 13% of the total income of community broadcasters which was greater than the Western Australian share (10%) of the Australian population.

1.9 COMMERCIAL AND COMMUNITY BROADCASTERS, States and Territories

	<i>Businesses at end June(a)</i>		<i>Employment at end June.....</i>		<i>Wages and salaries.....</i>		<i>Total income....</i>	
	no.		no.	%	\$m	%	\$m	%
COMMERCIAL BROADCASTERS								
New South Wales	40		1 803	41.3	71.8	42.1	258.0	44.1
Victoria	20		858	19.7	36.5	21.4	125.1	21.4
Queensland	22		688	15.8	24.2	14.2	81.0	13.9
South Australia	10		519	11.9	18.4	10.8	52.4	9.0
Western Australia	8		262	6.0	11.9	7.0	49.2	8.4
Tasmania	9		142	3.3	4.6	2.7	11.5	2.0
Northern Territory	2		n.p.	..	n.p.	..	n.p.	..
Australian Capital Territory	2		n.p.	..	n.p.	..	n.p.	..
Australia	103		4 361	100.0	170.7	100.0	584.8	100.0
COMMUNITY BROADCASTERS								
New South Wales	42		101	20.2	2.3	25.3	5.9	24.8
Victoria	30		137	27.5	1.2	13.2	4.6	19.3
Queensland	16		80	16.0	1.6	17.6	4.0	16.8
South Australia	11		63	12.6	1.0	11.0	2.3	9.7
Western Australia	9		57	11.4	1.5	16.5	3.2	13.4
Tasmania	6		14	2.8	0.1	1.1	0.4	1.7
Northern Territory	4		n.p.	..	n.p.	..	n.p.	..
Australian Capital Territory	3		n.p.	..	n.p.	..	n.p.	..
Australia	121		499	100.0	9.1	100.0	23.8	100.0

(a) Multi-State businesses are counted in each State and Territory in which they operate. Hence the counts of businesses for States and Territories may not sum to the total for Australia.

Assets and liabilities

At the end of June 1997, the 103 commercial broadcasters had total assets of \$1,112 million, comprising current assets of \$164 million and non-current assets of \$948 million.

Liabilities of commercial broadcasters totalled \$604 million, resulting in a net worth of commercial broadcasters of \$508 million.

The value of total assets of community broadcasters at the end of June 1997 was almost six times their total liabilities. Total assets were \$30 million (comprising \$6 million of current assets and \$24 million of non-current assets) and total liabilities were \$5 million (comprising \$3 million of current liabilities and \$2 million of non-current liabilities).

Net worth of the 121 community radio broadcasters was \$25 million.

1.10 COMMERCIAL AND COMMUNITY BROADCASTERS, Assets and Liabilities

	<i>Commercial broadcasters</i>	<i>Community broadcasters</i>
	\$m	\$m
.....		
Assets		
Current assets	163.6	6.2
Non-current assets	948.0	23.5
<i>Total</i>	<i>1 111.6</i>	<i>29.8</i>
Liabilities		
Current liabilities	113.8	3.5
Non-current liabilities	490.0	1.7
<i>Total</i>	<i>603.8</i>	<i>5.2</i>
Net worth	507.8	24.6
.....		

SECTION 2

TELEVISION SERVICES — PRIVATE BROADCASTERS

INTRODUCTION

Private broadcasters in the television services industry are private businesses and organisations classified to Class 9122 of the Australian and New Zealand Standard Industrial Classification. This industry covers businesses mainly engaged in television broadcasting, collection of news for television broadcasting, and the production of television programs for own use, whether live or on tape or other recording medium.

For the purposes of this publication, private broadcasters have been divided into commercial free-to-air broadcasters, pay television broadcasters and community broadcasters. Tables 2.1 to 2.3 contain key aggregates for private broadcasters and each of their components, while tables 2.9 and 2.10 contain information about production and program costs. Tables 2.4 to 2.8 provide detailed information in respect of commercial free-to-air broadcasters.

TYPES OF BUSINESSES

At the end of June 1997, there were 48 employing private broadcasters in the television services industry, consisting of 34 commercial free-to-air businesses, 7 pay television businesses and 7 community broadcasters. At the end of June 1994 there were 43 businesses in the industry. The increase in the number of private broadcasters was mainly due to the emergence of pay television in the intervening period.

SIZE OF INDUSTRY

In 1996–97, the 48 private broadcasters in the industry generated total income of \$3,351 million, which represented a 51% increase in total income compared to 1993–94. The industry gross product of the industry in 1996–97 was \$776 million.

At the end of June 1997, 8,873 persons worked for private broadcasters, of which 6,758 (76%) worked for commercial free-to-air businesses. There has been a slight increase (5%) in employment since the end of June 1994, when 8,422 persons were employed by private broadcasters. There has also been a shift in the type of employment with a 14% increase in full-time employment since June 1994.

SOURCES OF INCOME

Of the total income of \$3,351 million during 1996–97, there were two main sources of income, each of which varied by type of business. Gross income from the sale of airtime of \$2,365 million related almost entirely (\$2,361 million) to commercial free-to-air businesses, which was an increase of 19% since 1993–94. The other major income source for the industry was subscriptions and membership fees of \$311 million which related to the operations of pay television businesses.

EXPENDITURE

Total expenses for private broadcasters in the television services industry in 1996–97 was \$3,675 million. The two major single items of expenditure were labour costs of \$676 million and program rights/licence fees used and payment to channel providers of \$803 million which accounted for 18% and 22% of total expenses, respectively.

PROFITABILITY

During 1996–97, private broadcasters in the television services industry recorded an operating loss of \$324 million. The main reason for this loss was the pay television businesses which recorded an operating loss of \$1,058 million for 1996–97. In contrast, commercial free-to-air businesses had an operating surplus of \$734 million during the financial year, which represented an operating profit margin of 28.2%. This profit margin was a significant increase on the 17.7% operating profit margin recorded for commercial free-to-air broadcasters in 1993–94.

2.1 KEY AGGREGATES, By Type of Private Broadcaster

	Commercial free-to-air	Pay television	Community	Total
Businesses at end June (no.)	34	7	7	48
Employment at end June				
Full-time (no.)	5 986	1 810	24	7 820
Part-time (no.)	772	275	6	1 052
Total (no.)	6 758	2 085	30	8 873
Income				
Gross income from the sale of airtime (\$m)	2 361.0	n.p.	n.p.	2 365.0
Income from the provision of production services to other businesses (\$m)(a)	113.8	n.a.	—	128.2
Subscription and membership fees (\$m)	n.a.	311.4	—	311.4
Other income (\$m)	459.2	n.p.	n.p.	546.1
Total (\$m)	2 934.0	414.6	2.0	3 350.7
Expenses				
Labour costs (\$m)	395.8	279.1	0.6	675.6
Program rights/licence fees used and payments to channel providers (\$m)	553.5	249.2	—	802.7
Interest (\$m)	130.1	104.5	—	234.7
Depreciation and amortisation (\$m)	163.4	313.8	0.2	477.4
Other expenses (\$m)	956.8	526.5	1.0	1 484.3
Total (\$m)	2 199.7	1 473.1	1.9	3 674.6
Operating surplus/loss (\$m)	734.3	-1 058.4	0.2	-324.0
Operating profit margin (%)	28.2	n.a.	n.a.	n.a.
Industry gross product (\$m)	1 112.3	-337.2	1.0	776.1

(a) Income from the provision of production services to other businesses for pay television businesses, has been included in Other income.

2.2 KEY AGGREGATES, Historical Comparisons

	1993-94	1996-97
Businesses at end June (no.)	43	48
Employment at end June		
Full-time (no.)	6 878	7 820
Part-time (no.)	1 544	1 052
<i>Total (no.)</i>	8 422	8 873
Income		
Gross income from the sale of airtime (\$m)	1 982.3	2 365.0
Other income (\$m)	241.8	985.7
<i>Total (\$m)</i>	2 224.1	3 350.7
Expenses		
Labour costs (\$m)	347.6	675.6
Program rights/licence fees used (\$m)	264.8	802.7
Other expenses (\$m)	1 234.1	2 196.3
<i>Total (\$m)</i>	1 846.5	3 674.6
Operating surplus/loss (\$m)	377.6	-324.0
Industry gross product (\$m)	1 354.9	776.1

EMPLOYMENT

At the end of June 1997, there were 8,873 persons employed by private broadcasters in the television services industry. Of these, 76% (6,758) were employed by commercial free-to-air businesses. The total employment in pay television businesses at the end of June 1997 was 2,085 persons.

The large majority (88%) of employees of private broadcasters worked on a full-time basis. Male employees accounted for 64% of these full-time employees, with the main contributor being commercial free-to-air businesses with a full-time male employee proportion of 65%.

Just under half (44%) of the employees in the industry were predominantly engaged in production activity. Commercial free-to-air broadcasters accounted for 96% (3,727 persons) of these employees.

2.3 CHARACTERISTICS OF EMPLOYMENT

	FULL-TIME.....			PART-TIME.....			TOTAL.....		
	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
COMMERCIAL FREE-TO-AIR									
Persons predominantly engaged in production activity (no.)	2 263	948	3 211	307	209	516	2 570	1 157	3 727
Other employees (no.)	1 648	1 126	2 775	99	157	256	1 747	1 283	3 031
<i>Total (no.)</i>	<i>3 912</i>	<i>2 074</i>	<i>5 986</i>	<i>406</i>	<i>366</i>	<i>772</i>	<i>4 317</i>	<i>2 441</i>	<i>6 758</i>
Contribution to total (%)	57.9	30.7	88.6	6.0	5.4	11.4	63.9	36.1	100.0
PAY TELEVISION									
<i>Total (no.)</i>	<i>1 043</i>	<i>767</i>	<i>1 810</i>	<i>211</i>	<i>64</i>	<i>275</i>	<i>1 253</i>	<i>831</i>	<i>2 085</i>
Contribution to total (%)	50.0	36.8	86.8	10.1	3.1	13.2	60.1	39.9	100.0
COMMUNITY TELEVISION									
<i>Total (no.)</i>	<i>18</i>	<i>6</i>	<i>24</i>	<i>3</i>	<i>3</i>	<i>6</i>	<i>21</i>	<i>9</i>	<i>30</i>
Contribution to total (%)	60.0	20.0	83.3	10.0	10.0	16.7	70.0	30.0	100.0
Volunteers during month of June (no.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	289
TOTAL PRIVATE TELEVISION									
Persons predominantly engaged in production activity (no.)	2 318	985	3 303	346	226	572	2 664	1 211	3 875
Other employees (no.)	2 654	1 863	4 517	273	207	480	2 928	2 070	4 997
Total (no.)	4 973	2 848	7 820	619	433	1 052	5 592	3 281	8 873
Contribution to total (%)	56.0	32.1	88.1	7.0	4.9	11.9	63.0	37.0	100.0

COMMERCIAL FREE-TO-AIR BROADCASTERS

Sources of income

In 1996–97, the 34 commercial free-to-air businesses generated \$2,934 million in income. The vast majority (81%) of this income accrued from the sale of airtime.

Thirty of these businesses provided production services to other businesses, from which income of \$114 million was accrued. A further \$42 million in income was generated by program sales, of which \$23 million was received from overseas sales and \$19 million from Australian sales.

Other major components of income included management fees from other businesses of \$267 million and affiliation fees of \$80 million.

2.4 COMMERCIAL FREE-TO-AIR BROADCASTERS, Sources of Income

	<i>Businesses at</i>	<i>Proportion</i>	
	<i>end June</i>	<i>Value</i>	<i>of total</i>
	no.	\$m	%
Sales of goods and services			
Gross income from the sale of airtime	34	2 361.0	80.5
Income from the provision of production services to other businesses	30	113.8	3.9
Income from affiliation fees	8	79.8	2.7
Management fees/charges from other businesses	14	267.2	9.1
Program sales			
Within Australia	12	18.9	0.6
To overseas/non-residents	7	22.9	0.8
<i>Total</i>	13	41.8	1.4
Rent, leasing and hiring income	23	3.7	0.1
Other operating income	11	2.8	0.1
<i>Total</i>	34	2 870.1	97.8
Other sources of income			
Interest income	17	28.8	1.0
Other non-operating income	33	35.1	1.2
<i>Total</i>	34	63.9	2.2
Total	34	2 934.0	100.0

Expenditure

During 1996–97, commercial free-to-air businesses incurred \$2,200 million in total expenses. The major expense item was program rights and licence fees used which accounted for \$554 million, and represented 25% of all expenses. Commercial free-to-air businesses had a further \$97 million in amortisation of program rights and license fees during 1996–97.

Labour costs for these businesses totalled \$396 million for 1996–97. The average labour cost per employee was \$58,600.

Other major expenses included television licence fees (\$175 million), commissions to advertising agencies/brokers (\$215 million) and interest expenses (\$130 million).

2.5 COMMERCIAL FREE-TO-AIR BROADCASTERS, Items of Expenditure

	Value	Proportion of total expenses
	\$m	%
.....		
Labour costs		
Wages and salaries	371.3	16.9
Employer contributions to superannuation funds	22.9	1.0
Workers' compensation costs	1.7	0.1
Total	395.8	18.0
Selected expenses		
Payroll tax	24.1	1.1
Affiliation fees paid	76.1	3.5
Other management and administrative services	85.4	3.9
Television licence fees	175.2	8.0
Program rights/licence fees used	553.5	25.2
Other royalties expenses	21.9	1.0
Repair and maintenance expenses	24.7	1.1
Electricity, gas and water charges	11.0	0.5
Payments for transmission services	5.9	0.3
Telecommunication services	14.8	0.7
Rent, leasing and hiring of communication and transmission equipment	19.8	0.9
Other rent, leasing and hiring expenses	26.6	1.2
Commissions to advertising agencies/brokers	215.1	9.8
Advertising expenses	36.2	1.6
Travelling, accommodation and entertainment expenses	25.1	1.1
Payments to other businesses for production activities	23.3	1.1
Surveys and ratings report expenses	11.6	0.5
Other selected expenses	139.3	6.3
Total	1 489.6	67.7
Other costs		
Purchases	11.5	0.5
Insurance premiums	5.9	0.3
Interest expenses	130.1	5.9
Depreciation	64.1	2.9
Amortisation		
Program rights/licence fees and productions	97.2	4.4
Other	2.1	0.1
Total	99.3	4.5
Bad and doubtful debts	3.4	0.2
Total	314.3	14.3
Total	2 199.7	100.0

Business size

In 1996–97, the 10 commercial free-to-air businesses with 200 or more employees dominated the commercial free-to-air industry, in that they accounted for 63% (4,240 persons) of the employment and contributed 72% (\$2,105 million) to total income. In 1993–94, commercial free-to-air businesses with 200 or more employees accounted for 62% of employment and 62% of total income.

These large businesses recorded an operating profit margin of 28.6% during 1996–97.

The smaller businesses' contribution to employment and total income was lower, but they recorded higher operating profit margins than the commercial free-to-air average of 28.2%. Businesses employing less than 19 persons had an operating profit margin of 36.4%, those businesses employing 20–99 persons recorded 29.9% and businesses employing 100–149 persons recorded 30.4%.

2.6 COMMERCIAL FREE-TO-AIR BROADCASTERS, Business Size

Business size	Businesses at end June..		Employment at end June.....		Total income.....		Operating profit margin
	no.	%	no.	%	\$m	%	%
0–19 persons	4	11.8	36	0.5	22.5	0.8	36.4
20–99 persons	5	14.7	320	4.7	73.4	2.5	29.9
100–149 persons	8	23.5	992	14.7	314.4	10.7	30.4
150–199 persons	7	20.6	1 170	17.3	418.4	14.3	24.4
200 or more persons	10	29.4	4 240	62.7	2 105.4	71.8	28.6
Total	34	100.0	6 758	100.0	2 934.0	100.0	28.2

States and Territories

Commercial free-to-air businesses were concentrated in New South Wales accounting for 36% of industry employment and 41% of the industry income.

While commercial free-to-air businesses in Victoria and Queensland each accounted for 18% of employment, their contribution to total income was 24% and 15% respectively.

2.7 COMMERCIAL FREE-TO-AIR BROADCASTERS, States and Territories

	<i>Businesses at end June(a)</i>		<i>Employment at end June.....</i>		<i>Wages and salaries.....</i>		<i>Total income.....</i>	
	no.	no.	%	\$m	%	\$m	%	
New South Wales	14	2 421	35.8	159.0	42.8	1 208.2	41.2	
Victoria	6	1 183	17.5	69.5	18.7	708.8	24.2	
Queensland	8	1 185	17.5	58.9	15.9	439.5	15.0	
South Australia	6	644	9.5	27.7	7.5	193.6	6.6	
Western Australia	5	582	8.6	29.7	8.0	261.7	8.9	
Tasmania	2	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.	
Northern Territory	2	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.	
Australian Capital Territory(b)	5	403	6.0	13.7	3.7	n.p.	n.p.	
Australia	34	6 758	100.0	371.3	100.0	2 934.0	100.0	

(a) Multi-State businesses are counted in each State and Territory in which they operate. Hence the counts of businesses for States and Territories do not sum to the total for Australia.

(b) Includes news bureau operations.

Assets and liabilities

Total assets of the commercial free-to-air businesses at the end of June 1997 was \$5,645 million, comprising current assets of \$1,693 million and non-current assets of \$3,952 million. Television licences with a recorded value of \$2,010 million accounted for 36% of assets.

At the end of June 1997, commercial free-to-air businesses had total liabilities of \$3,854 million consisting of current liabilities of \$1,642 million (43%) and non-current liabilities of \$2,212 million.

The total net worth of the commercial free-to-air businesses was \$1,790 million.

2.8 COMMERCIAL FREE-TO-AIR BROADCASTERS, Assets and Liabilities

	<i>Value</i>
	\$m
.....	
Assets	
Current assets	
Program rights/licence fees and channel rights	270.8
Other current assets	1 421.6
<i>Total</i>	1 692.5
Non-current assets	
Television licences	2 010.1
Program rights/licence fees and channel rights	262.9
Other non-current assets	1 679.3
<i>Total</i>	3 952.2
<i>Total</i>	5 644.7
Liabilities	
Current liabilities	1 642.0
Non-current liabilities	2 212.4
<i>Total</i>	3 854.4
Net worth	1 790.3
.....	

PRIVATE TELEVISION BROADCASTERS

Production costs

During 1996–97, private broadcasters in the television services industry spent \$374 million on their own production of programs. These in-house production costs related to a total of 32,515 commercial broadcast hours.

The in-house television productions were mainly concentrated on news and current affairs (\$180 million of production costs), and sport (\$108 million of production costs) which represented 48% and 29% respectively of total in-house sole production costs.

Only 6,410 commercial broadcast hours of other types of programs were produced in-house by private broadcasters in the television services industry. The film and video production industry is also involved in the production of television programs, in particular drama, situation comedy and sketch comedy. Details of total program productions for television are contained in *Film and Video Production and Distribution, Australia, 1996–97* (Cat. no. 8679.0).

The average in-house production costs of television programs by private broadcasters was \$12,000 per commercial broadcast hour. The average production cost varied by category, with the average production cost per commercial broadcast hour being \$15,300 for quiz, panel and game shows, light entertainment and infotainment and \$8,500 for sport.

2.9 IN-HOUSE SOLE PRODUCTIONS MADE SPECIFICALLY BY PRIVATE BROADCASTERS

	Production costs	Commercial broadcast hours	Average cost per commercial broadcast hour
	\$m	h	\$'000
Drama, situation comedy and sketch comedy	n.p.	n.p.	n.p.
News and current affairs	179.5	13 336	13.5
Documentaries	2.6	173	14.9
Sport	108.3	12 769	8.5
Quiz, panel and game shows, light entertainment and infotainment	61.2	4 005	15.3
Other	n.p.	n.p.	n.p.
Total	374.1	32 515	11.5
Productions specifically for children(a)	5.0	687	7.3

(a) These are productions of programs with a 'C' (children's) or a 'P' (pre-school) classification and the costs and hours are included in the categories above.

Total program costs

During 1996–97, private broadcasters in the television services industry had total program costs of \$1,286 million. The main components of the program costs were the purchase of program rights and payments to channel providers of \$768 million which represented 60% of program costs. In-house production costs accounted for 29% and amortisation of program rights/licence fees accounted for 11% of program costs.

2.10 PROGRAM COSTS(a)

	<i>Value</i>
	\$m
In-house sole production costs	374.1
Program rights and payments to channel providers	768.4
Amortisation of program rights/licence fees	143.4
Total	1 285.9

(a) Program costs do not include any co-production costs incurred when making programs with outside production companies.

RADIO AND TELEVISION SERVICES — PUBLIC BROADCASTERS

At the end of June 1997, there were two public broadcasters which made an important contribution to the radio and television services industries during 1996–97.

These two broadcasters employed 5,248 persons at the end of June 1997, which was a 7% reduction in employment since the end of June 1994.

Government funding of \$641 million accounted for 83% of the total income of public broadcasters during 1996–97. Since 1993–94, government funding to public broadcasters has decreased by 2%.

3.1 KEY AGGREGATES, Historical Comparisons

	1993–94	1996–97	Change
EMPLOYMENT AT END JUNE			
	no.	no.	%
Males	3 306	3 024	-8.5
Females	2 361	2 224	-5.8
Persons	5 667	5 248	-7.4
INCOME			
	\$m	\$m	%
Funding from government	651.7	641.2	-1.6
Other income	109.1	134.3	23.1
Total	760.8	775.6	1.9
EXPENSES			
	\$m	\$m	%
Labour costs	326.8	356.5	9.1
Other expenses	416.9	415.6	-0.3
Total	743.7	772.1	3.8
INDUSTRY GROSS PRODUCT			
	\$m	\$m	%
Total	369.6	394.8	6.8

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents results, in respect of the 1996–97 financial year, from an Australian Bureau of Statistics (ABS) census of the radio and television services industries.

SCOPE

2 The survey included employing private and public broadcasters classified to the following two Australian and New Zealand Standard Industrial Classification (ANZSIC) classes:

- Radio services (ANZSIC Class 9121) consists of businesses mainly engaged in radio broadcasting. This class also includes the collection of news for radio services, and the production of radio programs for own use, whether live or on tape or other recording medium.
- Television services (ANZSIC class 9122) consists of businesses mainly engaged in television broadcasting. This class includes the production of television programs for own use, whether live or on tape or other recording medium. This class also includes the collection of news for television broadcasting.

IMPROVEMENTS TO COVERAGE

3 Data in this publication have been adjusted to allow for lags in processing new businesses to the ABS business register, and the omission of some businesses from the business register. The majority of businesses affected and to which the adjustments apply are small in size.

4 Adjustments have been made to include new businesses in the estimates in the periods in which they commenced operations, rather than when they were processed to the business register. Adjustments of this type will continue to be applied in future periods.

5 Further adjustments have been made for businesses which had been in existence for several years, but, for various reasons, were not previously added to the ABS register. The ABS is remedying these omissions.

6 For more information on these adjustments, please refer to the ABS publication *Information Paper: Improvements to ABS Economic Statistics, 1997* (Cat. no. 1357.0).

STATISTICAL UNIT

7 The unit for which statistics were reported in the survey was the management unit. The management unit is the highest-level accounting unit within a business or organisation, having regard for industry homogeneity, for which accounts are maintained. In nearly all cases it coincides with the legal entity owning the business (i.e. company, partnership, trust, sole operator, etc.). In the case of large diversified businesses, however, there may be more than one management unit, each coinciding with a 'division' or 'line of business'. A division or line of business is recognised where separate and comprehensive accounts are compiled for it.

STATE AND TERRITORY DATA

8 Data were collected from the Australia-wide operations of each business. Businesses which operated in more than one State or Territory were asked to provide a dissection of employment, wages and salaries and total income to enable State and Territory statistics to be compiled and comparisons undertaken.

REFERENCE PERIOD

9 Data contained in the tables of this publication relate to all businesses which operated in Australia at any time during the year ended 30 June 1997. Counts of businesses include only those businesses that were operating at 30 June 1997.

BUSINESSES CEASED DURING THE YEAR

10 A very small number of businesses ceased operations during the 1996–97 reference period. It is normal ABS procedure to include the contributions of these businesses in the survey output.

RELIABILITY OF ESTIMATES

11 As the information in this publication has been compiled from a census of all businesses classified to the industries, the data are not subject to sampling variability. However, other inaccuracies collectively referred to as non-sampling error may affect the data. These non-sampling errors may arise from a number of sources, including:

- errors in the reporting of data by respondents;
- errors in the capturing or processing of data;
- estimation for missing or misreported data; and
- definition and classification errors.

12 Every effort has been made to reduce non-sampling error to a minimum by careful design and testing of questionnaires, efficient operating procedures and systems, and appropriate methodology.

GLOSSARY

ABA radio licence fees	These are fees paid to the Australian Broadcasting Authority for licence to broadcast.
Advertising expenses	This item includes payments to advertising agencies, commissions to accredited advertising agencies and the cost of advertising via television, print media, outdoor advertising, or a stand at a film festival etc. Advertising expenses do not include the wages and salaries paid to employees of the broadcaster who is engaged in advertising activities.
Affiliation fees paid	Fees paid by one business to other businesses for the right to access and broadcast their programs.
Amortisation	The financial charges made to the accounts to reflect that part of the value of an intangible asset which may be regarded as having been used up in producing revenue in a particular accounting period. Businesses in the television services industry amortise productions and program rights/licence fees.
Bad and doubtful debts	This is the amount of accounts receivable that are either written off, or estimated to be uncollectable during an accounting period, and that are expensed in a period's profit calculations.
Commercial broadcast hours	This is the length of a completed program produced, including time taken for advertisements (i.e. airtime for a completed program). Programs are counted only once, regardless of the number of times they may be aired.
Commercial free-to-air broadcasters	These commercial broadcasters operate on a profit-making basis and receive the majority of their income from the sale of airtime.
Commissions to advertising agencies/brokers	Commissions paid to accredited agencies of the Australian Accreditation Authority for advertisements placed. Payments to advertising agencies for promotion of the business or its products are excluded.
Community broadcasters	Community radio and television broadcasters are non-profit, non-government organisations. They receive the majority of their income from the Commonwealth Government via the Community Broadcasting Foundation; audience subscriptions are another major source of income. 'Community' means community of interest, geographical/residential (local area), and special interest.
Current assets	Current assets are cash or other assets of the business that would normally be consumed or converted into cash within twelve months of the end of the last financial period.
Current liabilities	Current liabilities are those obligations which in the ordinary course of business are expected to be discharged within twelve months of the balance date.
Depreciation	The financial charges made to the accounts to reflect that part of the value of the fixed tangible asset which may be regarded as having been used up in producing revenue in a particular accounting period.
Electricity, gas and water charges	Electricity, gas and water charges relate to the consumption of electricity, gas and water during the normal operations of a business.

Employer contributions to superannuation funds	This item includes all employer contributions to superannuation schemes (including the employer productivity contribution).
Employment at end June	Employment includes persons predominantly involved in production activity (e.g. program directors, producers, on-air personnel, and panel operators), sales and marketing employees, and other employees (e.g. managerial, administrative staff etc.) working for a business during the last pay period in June 1997. Employees absent on paid leave or prepaid leave are included. Excludes freelancers paid via an incorporated company and volunteers.
Freelancers/contract persons	These include producers and on-air persons for whom PAYE tax is not deducted.
Full-time employees	Employees who work 35 hours per week or more.
Funding from government	This item includes parliamentary appropriations, i.e. money that is given by the Commonwealth Government each year as detailed in the Commonwealth budget); and liabilities assumed by government (e.g. government-funded superannuation contributions for employees engaged under the <i>Public Service Act 1922</i>). It also includes resources received free of charge, e.g. the provision of resources for operating and maintaining radio and television transmitters, ancillary buildings and technical equipment; funding for apprenticeship schemes, Jobstart etc.; and money received for specific capital purposes. This funding also includes money received via the Community Broadcasting Foundation.
Gross income from the sale of airtime	Refers to the sale of airtime or 'space' on radio or television for the broadcasting of advertisers' commercials or sponsors' messages.
Income from affiliation fees	Income received from other businesses for the right to access and broadcast the network's programs.
Income from subscription and membership fees	In the radio services industry these are subscriptions paid to radio broadcasters, and include both new and repeat subscriptions. In the television services industry these are fees paid by viewers to Pay TV businesses for channel services.
Income from the production of commercials	This is the revenue received when advertisements are produced for own use by other businesses. It includes income earned from making sponsorship and community announcements but excludes the income generated from the sale of airtime.
Income from the provision of production services to other businesses	Income received from services such as line production, lighting services and director services. This item also includes fees received from freelancers and the rental of editing suites with crew.
Industry gross product	A measure of the value of unduplicated gross product of businesses. For <i>non-government units</i> , industry gross product is defined as sales of goods and services plus government subsidies plus capital work done by own employees for own use or for rental or lease minus purchases and selected expenses. For <i>general government units</i> , industry gross product is defined as being equal to wages and salaries plus superannuation payments plus workers' compensation costs plus depreciation.

In-house production costs	All costs associated with the sole production of television programs during 1996–97. This item does not include costs associated with co-productions, the production of commercials and advertisements, station and program promotions, projects that have not progressed past the development or pre-production stages, or projects made by an independent production house.
Insurance premiums	This item includes optional third-party and comprehensive motor vehicle insurance premiums, fire, general, accident and public liability premiums, and errors and omissions insurance. Excludes workers' compensation insurance premiums and compulsory third-party motor vehicle insurance premiums.
Interest expenses	This expense includes interest on bank loans, loans from partners, and loans from government funding bodies, interest in respect of finance leases, interest equivalents such as hedging costs, and expenses associated with discounted bills.
Interest income	This income item includes interest from loans, finance leases, deposits in banks and non-bank financial institutions.
Labour costs	Labour costs include wages and salaries, employer contributions to superannuation funds, and workers' compensation costs. Payments to freelancers who are paid via an incorporated company are excluded. This item excludes payroll tax.
Management fees/charges from related and unrelated businesses	This is income from related and unrelated businesses for management services provided. It includes revenue sharing arrangements, i.e. one television station in a network may produce or purchase a program or series, and then recoup some of the costs by means of payments by other stations in the network. This data item is reported on a gross basis, i.e. the total amount received from other stations.
Marketing, promotion and sponsorship expenses	These expenses relate to the marketing and promotion of the business. Sponsorship expenses are the actual funds paid for the sponsorship of sporting, arts or cultural organisations and/or their activities. It does not include wages and salaries of employees who are engaged in promotional activities.
Net worth	Current assets plus non-current assets, minus current liabilities and non-current liabilities.
Non-current assets	These are long-term investments or other assets of the business that would not be consumed or converted into cash for more than twelve months after the end of the last reporting period of the business.
Non-current liabilities	Those obligations which in the ordinary course of business are expected to be discharged in more than twelve months. This item includes provisions for employee entitlements.
Operating profit before tax	A measure of profit before extraordinary items are brought into account and prior to the deduction of income tax and appropriations to owners (e.g. dividends paid).
Operating profit margin	The percentage of sales of goods and services available as operating profit, i.e. (operating profit before tax times 100) divided by sales of goods and services.
Other broadcasters (radio)	Radio broadcasters other than commercial or community broadcasters (e.g. narrowcast and aspirant radio broadcasters).

Other employees (television)	Employees of the television services industry who are not predominantly engaged in production activity.
Other management and administrative services expenses	This item includes management and administrative expenses not included elsewhere.
Other non-operating income	Other non-operating income includes dividends received, royalties income, income from net profit (loss) on sale of fixed tangible assets, and net profit (loss) on foreign loans as a result of variations in foreign exchange rate/transactions. It does not include extraordinary profit (loss).
Other operating income	This item includes income from fundraising and donations, rental of facilities and/or equipment with crew (radio services industry only), and other operating revenue not included elsewhere.
Other royalties expenses	These are royalty payments not included elsewhere (i.e. other than program rights/licence fees used). Other royalties include payments under licensing arrangements, literary rights and options, and music rights.
Other royalties income	This is royalties income other than program sales. It includes income received under licensing arrangements, and income from merchandising, soundtrack, literary and video rights etc.
Other selected expenses	These expenses include other operating expenses of the business such as motor vehicle running expenses; legal, audit and other accounting expenses; paper, printing and stationery expenses; postal and courier services; contract, subcontract and commission expenses; and waste management and environmental protection expenses.
Part-time employees	Employees who work less than 35 hours per week.
Payments for transmission services industry	This item includes payments by businesses in the television services industry to the National Transmission Agency, but does not include rent, leasing or hiring of transmission equipment.
Payments to freelancers	In the radio services industry these are payments to freelancers/contractors predominantly engaged in broadcasting and/or production activities for whom PAYE tax was not deducted. It includes payments to freelance personnel (e.g. producers, on-air talent, etc.) and rental of facilities and/or equipment with crew. This item excludes payments made to freelancers paid directly via the payroll and payments to catering services. In the television services industry, these payments are included in payments to other businesses for production activities.
Payments to other businesses for production activities	In the television services industry these are payments to freelancers/contractors predominantly engaged in broadcasting and/or production activities for whom PAYE tax was not deducted. It includes payments to freelance personnel (e.g. producers, on-air persons, etc.) and rental of facilities and/or equipment with crew. This item excludes payments made to freelancers paid directly via the payroll and payments to catering services.
Pay television broadcasters	These commercial broadcasters operate on a profit-making basis and receive the majority of their income from subscription and membership fees.

Persons predominantly engaged in on-air activities	These include program directors, producers, on-air personnel, and panel operators.
Production costs	This item includes all in-house program production costs for the 1996–97 financial year. It does not include the business' contribution to co-productions.
Program rights/licence fees used and payments to channel providers	The right to broadcast an individual television program (or pay television channels) is usually purchased via a licence arrangement from the copyright owner of the program/channel. Program rights used is a royalties expense.
Program rights purchased	The right to broadcast an individual radio program is usually purchased via a licence arrangement from the copyright owner of the program. This item includes news service fees and rights.
Program sales (radio)	Program sales (including pre-sales) are the selling of rights to broadcast only, via a licence agreement. The actual ownership of the program is not transferred or sold, but remains with the copyright owner. Program rights sold are therefore a form of royalty income. For the radio services industry, program sales includes both Australian program sales and overseas program sales
Program sales (television)	For the television services industry, program sales and pre-sales comprises two separate components, Australian and overseas program sales. <i>Australian program sales</i> are sales to any individual, business or other organisation ordinarily resident in Australia. Branches in Australia and Australian subsidiaries of foreign businesses are regarded as Australian residents. <i>Overseas program sales</i> are sales to any individual, business or other organisation ordinarily resident in a country other than Australia. Foreign branches and foreign subsidiaries of Australian businesses are regarded as non-residents.
Provision of production services to other businesses	This source of income includes rental of facilities and/or equipment with crew, income from the production of sponsorship and community announcements, and commercials.
Public broadcasters	These broadcasters operate on a non-profit basis and receive the majority of their income from government funding.
Purchases	These purchases include promotional items such as tee-shirts and caps, and other merchandise purchased and resold; materials; components; containers and packaging materials; production materials; film stock; and other non-capitalised purchases.
Rent, leasing and hiring expenses	<i>Communication and transmission equipment:</i> This expense item includes broadcasting equipment, satellite transponders, landlines and transmission sites. <i>Other:</i> This expense item includes operating lease expenses, rental of facilities and/or equipment without staff/operators, and all expenses paid/payable to landlords.
Rent, leasing and hiring income	This item includes income derived from the renting, leasing or hiring of assets such as land, buildings or equipment to other businesses or individuals. It also includes revenue from operating leases, studio hire, and equipment hire without crew. Excludes income from finance leases, and payments received under hire purchase arrangements.

Repair and maintenance expenses	This item includes costs associated with work undertaken on plant and machinery etc. to maintain normal business operations.
Retail sales of goods	This is income derived from merchandising.
Telecommunications services	These are the payments (of a non-capital nature) for telecommunication services which engage wire, cable or radio transmission. It includes fixed and mobile telephones, facsimile, Internet services, leased lines for computers etc.
Television licence fees	Fees paid by broadcasters for a television licence, which is issued by the Commonwealth Government via the Australian Broadcasting Authority. These licences may be expensed or capitalised.
Travelling, accommodation and entertainment expenses	This item includes reimbursement or allowances to employees for travel, entertainment etc. It excludes motor vehicle running expenses.
Volunteers	This is the number of volunteers/unpaid workers who worked for the business during the month of June 1997. Volunteers provide assistance in the forms of time, labour and/or skills, and receive no payment, either monetary or in kind, in return.
Wages and salaries	Gross earnings paid to all full-time and part-time employees before taxation and other deductions. It also includes payments to freelancers for whom PAYE tax is deducted, and retainers and commissions paid to persons who receive a retainer. The item excludes payments to self-employed persons such as consultants, contractors, and persons paid solely by commission without a retainer.
Workers' compensation costs	This is a compulsory insurance cover to be taken out by all employers, except self-insured workers, according to legislative schemes to cover employees suffering injury or disease in the course of or arising out of employment.

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POST Client Services, ABS, PO Box 10, Belconnen, ACT 2616

EMAIL client.services@abs.gov.au



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