

ANNUAL REPORT

For the year ended 30 June 1998

BSA

BROADCASTING STANDARDS AUTHORITY

ANNUAL REPORT

FOR THE YEAR ENDED
30 JUNE 1998

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MISSION STATEMENT

To establish and maintain acceptable standards of broadcasting on all New Zealand radio and television, within the context of current social values, research and the principle of self-regulation, in a changing and deregulated industry.



FOREWORD

I have now completed thirteen months as Chair of the Broadcasting Standards Authority. It has been a time of considerable learning, particularly about the codes of broadcasting practice and their place within the broadcasting industry in New Zealand. In the total broadcasting environment in New Zealand, the Authority's role is small, but not, I believe, insignificant. All broadcasters are required to maintain a number of broadcasting standards in their programmes. There are four statutory standards: the observance of good taste and decency; the maintenance of law and order; privacy of the individual; and balance. There are also the standards set out in a number of codes of broadcasting practice dealing with such matters as the protection of children, the portrayal of violence, and safeguards against encouraging discrimination. The Authority's functions are essentially complaint driven and it is *not* involved in monitoring or censorship.

Awareness of the Authority

The Broadcasting Standards Authority is the avenue by which viewers and listeners are able to air a grievance about a broadcast which has not been satisfactorily answered by the broadcaster. But its value as a watchdog depends significantly on knowledge of its existence.

Since 1996, broadcasters have been required to screen or air daily a notice publicising the procedure for complaints. In May this year, the Authority commissioned a market research company to measure the public's awareness of the Broadcasting Standards Authority, and the public's familiarity with the complaints process.

The results recorded that 81% of the respondents knew of the "Broadcasting Standards Authority". They also disclosed that the level of name

awareness was higher than average among older people and among those who occupy a higher socio-economic position in society. The results indicated overall a high level of public awareness of the Authority.

Questions about the Authority's purpose revealed some ambiguity however. While many respondents referred to "standards", a number mentioned "censorship" and the control of "content and quality".

The results showed that many people indeed had an accurate understanding of the Authority's role, but significant numbers had a mistaken impression and, possibly, expected proactive censorship from the Authority.

The overall awareness level for the Broadcasting Standards Authority is very encouraging, as is the widespread understanding of the Authority's role. The survey noted that television was by far the principal source of the respondents' information.

The lack of knowledge and the mistaken impressions are a matter of some concern. Because of its central role in approving codes of broadcasting practice, and in determining complaints about specific programmes, the Authority's plans include a strategy to improve public awareness of it (especially among the young) and of its roles.

Levy

Since the enactment in 1996 of an Amendment to the Broadcasting Act, the Authority has been partly funded by a levy on broadcasters. Broadcasters with a total operating annual revenue in excess of \$500,000 are required to pay an annual levy of 0.00051 percent of operating revenue.

The legislative procedure devised to collect the levy was designed to minimise compliance costs on broadcasters. Broadcasters opposed

the introduction of the levy and some continue to object to being required to help finance a legislative watchdog.

The income from the levy has allowed the Authority to comply more fully with its legislative role. Previously, the bulk of the Authority's resources, I'm told, were focused on the determination of complaints. While complaints, understandably, receive the highest priority, the Broadcasting Act lists some other core functions relating to the development and approval of codes of broadcasting practice, carrying out research on matters of broadcasting standards, and issuing advisory opinions on standards issues and the ethical conduct of broadcasting.

The levy income has allowed the Authority to pursue these other functions.

Complaints

The number of decisions issued by the Authority in the past year, I am pleased to report, was 177 - a drop of 22 from the previous year. However, the number of complex complaints is increasing. This is apparent in the statistics in Appendix I which show that the proportion of complaints raising the difficult issues of balance, fairness, accuracy, and privacy in the past year was 65%. Last year, it was 59%, and two years earlier, 44%. The complexity is also reflected in Output I where the percentage of complaints determined within 40 working days after all the information has been gathered has dropped from 91% to 85%.

The Authority has to date determined complaints "on the papers". Given the challenging issues dealt with in some current affairs items, the Authority anticipates that hearings might become necessary on occasions in the future to ensure that it is fully informed of the issues which the broadcast has examined.

Code Reviews

In the past year, the Authority completed its research for the review of the Pay Television Code of Broadcasting Practice. The report "Review of the Pay Television Code of Broadcasting Practice", and the accompanying research "Community Attitudes to Adult Material on Pay Television", were published in October. The research showed that a majority of the respondents believed that R18 material should be available on pay television, but almost everybody thought R18 material had an adverse effect on children.

Taking the submissions into account as well as the research, the Authority's recommendations included the proposal for a single code of broadcasting practice for television.

Consultation is an integral part of developing codes of broadcasting practice, and the concept of a single code was discussed at length in the meetings the Authority held with broadcasters, and in the subsequent submissions received by the Authority. After considering this material and noting the recent and ongoing developments in technology, the Authority has recently advised television broadcasters that it accepts the case for separate codes for pay and free-to-air television.

While the Review of the Pay Code has been the focus of the code review activities in the past year, the Authority has also initiated a review of the entire radio code. This review will include a specific focus on the applicability of the existing code for talkback radio.

Research

Upon the publication of the research results for the pay code review, the Authority assessed its research programme and, given the stability of its current funding base, decided to employ a Research and Communications Officer. Dr Wiebe Zwaga began in this

position in March this year. In view of the requirement on the Authority to reflect the values held by New Zealanders in its decisions, he has developed a major research project which will allow the Authority to establish a benchmark recording public attitudes to broadcasting standards issues. This base will be used to compare results with earlier research, and to monitor trends. It is hoped that it will also allow the Authority to compare attitudes in New Zealand to those in some overseas countries which have conducted similar research.

Consultations

The Authority is acutely conscious of its responsibilities to broadcasters and, after rather sporadic efforts in past years, it has decided as a formal strategy to consult regularly with broadcasters throughout the country.

The Authority has participated in media and journalism courses taught by various universities and polytechnics. As part of its consultation programme, it is visiting a range of such institutions to advise them of the Authority's willingness to be involved as a resource in relevant courses.

Children's Television and Children's Media Practices

The Authority is continually reminded from various sources of the concern felt by many about children's television. The Authority has dealt with, and is dealing with this concern in several ways. Member, Rosemary McLeod, and Complaints Manager, Phillipa Ballard, represented the Authority at the Second World Summit on Children's Television in London in March this year.

The issues surrounding children's television - including what should and should not be broadcast - are complex and the Authority is approaching them

from a number of fronts, including becoming better informed about children's programming, and examining issues relating to watersheds. The Authority also acknowledges that the current generation of parents with young children is the first generation of parents in New Zealand who themselves have been reared in an environment where television was reasonably widespread. Now the television set is even more ubiquitous, as many homes have two or three, if not more, sets.

Television and Privacy

The Authority's core functions are the implementation of codes of broadcasting practice, and the handling of complaints. The research consultation programmes are undertaken to provide knowledge to assist in these areas. The Authority remains acutely conscious of the broadcasting environment in which it operates, and the impact that environment has on these roles.

In the past year, protocols relating to the coverage of criminal trials by television have been developed by a Courts Consultative Committee comprising representatives of the justice system and the media. Some matters arising from media coverage of trials have been referred to the Authority.

Privacy is increasingly the issue raised in complaints referred to the Authority dealing with the coverage of trials. Privacy is a concept which the Authority has explored in some detail, and it plans to publish shortly a compendium of its decisions on the matter in the near future.

Membership

The Authority consists of four members. In such a small group, it is essential that each person contribute freely and fully on the assorted matters with which the Authority deals.

I am pleased to report that the Members approach their extensive tasks enthusiastically, and the contributions at the Authority meetings reflect the thorough examination they have given to the material before them.

Given the range of their backgrounds, it is inevitable that the scope of the views advanced by the Members emphasise different aspects of matters under discussion. Debate among strong-minded people need not always be unanimous. Nevertheless, I have found the debate among the Members is always constructive and while some decisions are not unanimous, the respect held for each other ensures our relationships remain harmonious and constructive.

Since my appointment in June last year, each of the other three Members completed their term. Two of these positions were then filled after consultation with the community and broadcasters respectively. I believe that the Membership should contain some who are experienced in the work to ensure consistency, along with some new blood to avoid the possibility that consistency does not become a goal in itself. In other words, there must be a reappraisal of issues as necessary.

I would like to think that both these ideals are to be found in the present Authority. Lyndsay Loates was reappointed, filling the role of community representative. After broadcasters had been consulted, Joan Withers replaced Allan Martin. She brings to the Authority an extensive background in radio, and an understanding of the industry which has proved valuable to the Authority. Rosemary McLeod was reappointed as a Member.

I would like to thank Allan Martin for his contribution to the Authority. His approach to the issues before the Authority invariably included the significant wisdom he had acquired through his contributions to television broadcasting in New Zealand.

In August 1991, the Authority recommended that liquor advertising be allowed on television and radio, albeit under strict conditions. Those conditions are now policed by the Advertising Standards Authority which, periodically, reviews them publicly. Authority Member Lyndsay Loates was a member of the Review Team which examined the current Code in early 1998.

My sincere thanks to Lyndsay Loates, Rosemary McLeod and Joan Withers. While Authority meetings may be exhausting, this is the result of dealing with our challenges in a way which I would like to think is both conscientious and stimulating.

Staff

The effectiveness of the Authority is dependent on the effectiveness of its staff. Although there is only a small number of staff in the Authority's secretariat in Wellington, they ensure that the Members remain aware of developments in broadcasting practice, and are given the material to enable them to address thoroughly the complaints and other issues with which they must deal. Relationships between the Members and staff continue, I believe, to be harmonious.

Conclusion

My first 13 months as the Authority's Chair has left me with a favourable impression of both the Authority and the broadcasters with whom it comes into contact.

Contrary perhaps to popular belief, the Authority carries no candle for more regulation as a panacea for shortcomings in broadcasting. And it has no appetite to proscribe either.

The Broadcasting Act requires the Authority to encourage broadcasters to develop their own Codes of Practice appropriate to the type of broadcasting they undertake. That is much the best way. Of course the

statutory provisions still have to be complied with, but if the Codes which are formulated have their genesis with the broadcasters and reflect the experience of the industry, then they are far more likely to be observed in practice. The broadcasters' role as a watchdog on such public interest issues as the right to free speech, and honesty and fair play in our institutions, is absolutely fundamental. We need to take care in settling any Codes that these functions are not obstructed.

My impression is that broadcasters take their role seriously and, in general terms, strive for professionalism in what they do. From time to time of course some overstep the mark. But in the context of the busy broadcasting environment in New Zealand this is relatively rare. When it happens, and a complaint is made, then it is the Authority's role to intervene.

As for the viewing public, I believe they are far more discerning than many would give them credit for. They can be relied upon to let their disapproval be known when occasions require it.

New Zealand has a relatively lighthanded regulatory environment for its broadcasters - certainly when compared with some of our commonwealth counterparts. Some would say it is too light, others would not agree. It is not for the Authority to pass a judgment on this: that is a matter for the politicians. But from my perspective the balance feels about right.



Sam Maling
Chairperson



MEMBERS



Lyndsay Loates

Auckland, began her term on the Authority in July 1994. She has worked as a professional journalist both in New Zealand and overseas and has won several national journalism awards. After a period as deputy editor and senior feature writer with *More Magazine*, she has worked as a freelance journalist.

Rosemary McLeod

A Wellington-based journalist, was appointed to the Authority in May 1995. She has won numerous journalism awards for investigative reporting, feature writing and column writing. She has also had extensive experience as a television drama script writer and editor and has worked as a news reporter for both television and radio.

Joan Withers

Joan Withers MBA, of Auckland, joined the Authority in August 1997. A former Chief Executive of the Radio Network of New Zealand, her career in media management spans almost 20 years. She is now a company director, currently holding directorships on the boards of Ceramco Corporation Ltd, Auckland International Airport Ltd, The Warehouse Group Ltd, and the Auckland Trotting Club.

Sam Maling

Sam Maling LL.B, a senior litigation partner in the Christchurch law firm of Lane Neave Ronaldson, was appointed Chairperson of the Authority in June 1997. He is a director of Pyne Gould Corporation Ltd and Aspinall (NZ) Ltd. He is also a former Vice President of the New Zealand Law Society.



FORMAL COMPLAINTS

The determination of formal complaints continues to be the Authority's central focus. The Authority issued its first decision on 19 January 1990. By 30 June 1998, eight and a half years later, it had released 1,119 decisions. The assessment of complaints over the years has involved, and still involves, more than 50% of the Authority's total resources and an estimated 80% of the Members' time.

For only the second occasion since 1990, the number of complaints determined in the current financial year was below the number determined in the previous year. The number released totalled 177. This was a decrease of 22 (or 11%) when compared with 199 decisions issued in 1996-1997.

But despite the reduction in numbers, there was an increased complexity in many of the complaints received and, as a consequence, considerable time was spent in thoroughly examining cases before a decision could be reached. Given the overall trend since 1990, it seems unlikely that the number of complaints will reduce significantly in the immediate future. It now seems to be clear that the Authority must plan in various ways to expedite earlier decision-making on the more complex issues.

Issues Raised in Complaints

Perhaps, contrary to expectations, and as comments in past Annual Reports have pointed out, the unique factors of each complaint mean that it is rare to be able to reach quick decisions by referring to earlier decisions. Precedents have been established and are of considerable use. This is particularly so in the area of privacy.

While earlier decisions are never prescriptive about the outcome in subsequent similar complaints, they do provide the Authority with an indicator of the resources required for later determinations.

The main types of complaints are dealt with briefly.

(i) Balance, Fairness and Accuracy

Nearly 50% of the complaints referred to the Authority in 1997/98 involved issues of balance, fairness, and accuracy. This proportion has increased over the years from between 35 to 40% in the past. Some of these complaints involve an allegation that television news has not dealt with the issue in a fair and balanced way. Others make the same complaint about magazine style programmes and radio. Although these complaints in the main focus on relatively short items, they require a careful evaluation of the topic canvassed.

Some of the balance, fairness and accuracy complaints refer to the broadcast of substantially longer items on programmes such as *60 Minutes*, *20/20*, *Assignment*, or to documentaries broadcast by either TV3 or TVNZ. Sometimes the complainant is a party dealt with in the programme or a spokesperson for that party. Usually this complainant is very well informed about the subject discussed. Such complaints require a thorough consideration by the Authority of all the issues explored during the broadcast.

They are not easy to determine. While a dissatisfied complainant may appeal the Authority's decision to the High Court, the Authority acknowledges that this option may be costly. Generally speaking, the parties look to the Authority as the forum where the complaint will be dealt with and assessed conscientiously and in an unbiased manner.

The Authority needs to make sure that its approach meets these expectations.

(ii) Good Taste and Decency

While it is acknowledged that complaints which focus on the question of good taste and decency generally take less time to determine, they are also challenging. Community standards and expectations do not remain static. Applying these standards within a broadcasting environment requires care and judgment.

The Authority is required to examine such complaints in "context", and therefore it is vitally important that Members remain in touch with community standards and are aware of changes that occur. Furthermore, "context" not only includes the tone of the full programme to which objection is taken, but also such matters as the hour of broadcast, warnings (if any), and the type of broadcaster (eg it might be relevant that the item occurs during a talkback session, or is broadcast by a student radio station).

The overall decline in the number of complaints has not eventuated in a decrease in the amount of time which complaints of this type require of the Authority's Members.

(iii) Alcohol Promotion

The number of complaints about Alcohol Promotion has decreased substantially in the past few years. In the early 1990s, issues of alcohol promotion and alcohol advertising were raised in more than 20% of the complaints determined by the Authority. In the last financial year, only one decision (out of 177) was a complaint about alcohol promotion.

(iv) Privacy

Under s.4(1)(c) of the Broadcasting Act, a complaint may allege that a broadcast amounts to a breach of an individual's privacy. Privacy is the complaint category which has shown the most substantial increase in the past year both by way of proportion and absolute number. Between January 1990 and June 1997, the Authority determined 52 privacy complaints out of 942 (or 5.5%). From July 1997 to June 1998, the Authority determined 30 privacy complaints out of 177 (17%). This trend has been increasing for the past two years.

In determining privacy complaints, many of which involve complex factual situations, the Authority applies the privacy principles released in an Advisory Opinion dated June 1992, and updated in an Opinion released in May 1996.

When dealing with privacy complaints, the Authority is frequently required to balance the individual's privacy against the public's right to know. These concepts are often very finely balanced.

The Authority has decided to publish in the forthcoming year a record of all the decisions it has issued on privacy complaints. It is hoped that this will assist broadcasters with their decision-making in this increasingly complex area.

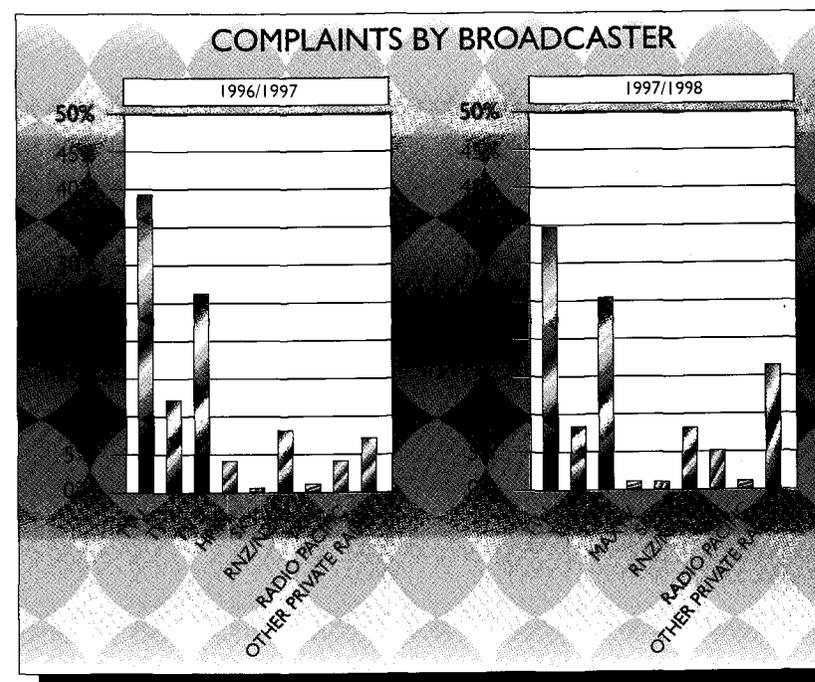
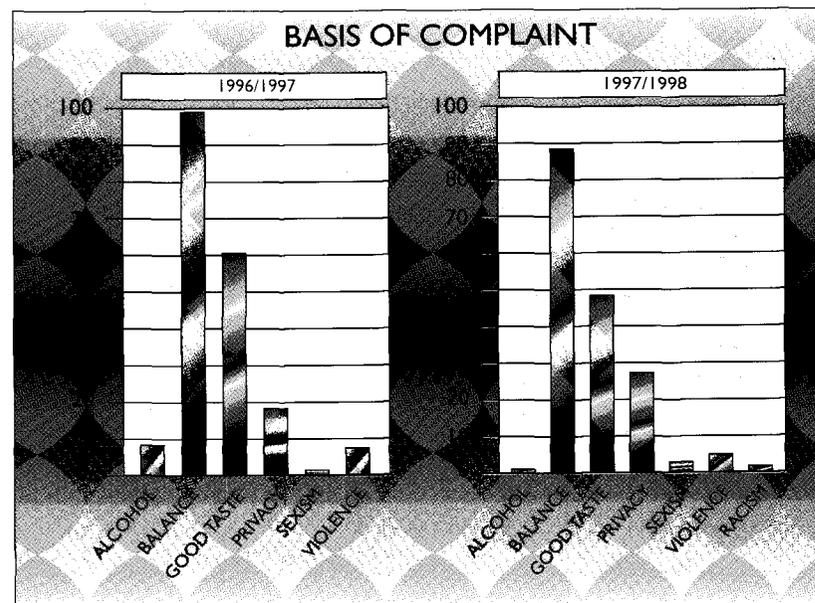
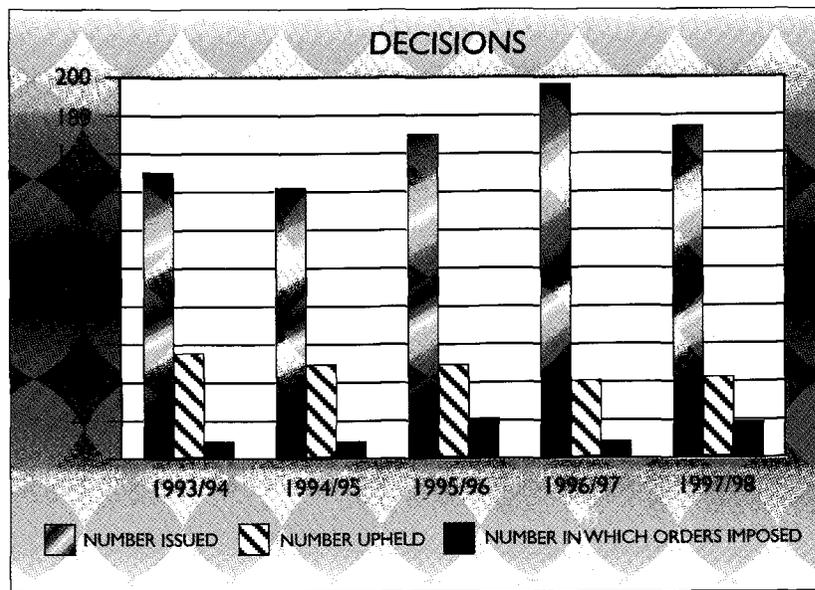
Broadcasters Complained About

The attached table records the percentage of complaints against each broadcaster. Further details are provided in Appendix I and Appendix II. In summary, 76 (43%) of the complaints concerned programmes broadcast on TVNZ. A total of 12 (16%) were upheld, and 64 (84%) were not upheld. The equivalent figure for TV3 are 45 (25% of the total complaints), of which ten (22%) were upheld and 35 (78%) declined. RNZ attracted 15 complaints to the Authority of which 2 were upheld and 13 declined. Nine complaints were made against programmes broadcast by The Radio Network. One was upheld and eight declined.

The Authority is aware that some radio broadcasters consider that the Broadcasting Act, and the Authority, is relevant mainly to television broadcasters. Radio broadcasters, it is contended, do not fall foul of the standards to the same degree. For the record, the Authority notes that of the 177 complaints determined in 1997-98, 127 (72%) applied to television broadcasters and 50 (28%) to radio broadcasters. The decision ratio for television complaints was 18% upheld and 82% declined. For radio, the equivalent percentages were 36% and 64%.

Orders

The Authority reiterates the point made in last year's report that the orders that it imposes when a complaint is upheld are designed to be remedial rather than punitive. Twenty



orders were imposed in the last financial year, and most of them involved a financial imposition - either costs to the Crown or, when a privacy complaint was upheld, compensation to the complainant. Seven orders for compensation were imposed, of which five were for \$250 and two for \$500.

The Authority may impose an order for costs to the Crown up to a maximum of \$5000. Ten orders for costs were imposed. One was for \$3,000, two for \$750, three for \$500, and four for \$250.

The Authority may also order the broadcast of an apology or a summary of its decision. It required the broadcast of one of each.

Finally, in relation to two complaints, the Authority, using powers conferred under s.12 of the Broadcasting Act, ordered a broadcaster to make material available to it.

Appeals

A complainant or a broadcaster is entitled as of right to appeal a decision of the Authority to the High Court. Appeal action was taken on five occasions in the past year, on four occasions by the broadcaster, and once by the complainant. On two occasions, the appellant (one broadcaster and one complainant) failed to comply with the time limits laid down in the Broadcasting Act and the appeal was not accepted. Three other appeals were each filed by solicitors acting for TV3, and the matters have yet to be heard.

Three appeals filed in earlier years were finalised in the past financial year.

A notice of appeal on behalf of Comalco New Zealand Ltd in relation to a decision on a complaint about a *Frontline* item was received by the Authority in May 1994. There have been a number of hearings over the years in regard to procedural aspects of this complaint, both in the High Court and the Court of Appeal. The appeal itself had not reached a hearing and, in March this year, the solicitors for Comalco brought the action to an end by filing a Notice of Discontinuance.

The second matter finalised was an appeal by TVNZ which came to a hearing. In his ruling on the appeal by TVNZ against the Authority's decision on a complaint by Southland Fuel Injection Ltd, Doogue J emphasised that the High Court's jurisdiction was to determine the appeal as if the decision appealed against had been made in the exercise of a discretion. It was not an appeal by way of a rehearing. He dismissed TVNZ's appeal on this occasion on the basis that the Authority was fully entitled to reach the conclusion that it did, and that there was no basis to say

that the Authority had not acted within its proper discretion.

The third appeal resolved in the past year was brought by Radio New Zealand Ltd against the decision of the Authority on a complaint from the Hon Murray McCully about a *Morning Report* item. The appeal was upheld. The High Court considered that the Authority had given insufficient attention to the opportunity offered to the Minister to respond in a later broadcast to the then opposition housing spokesperson.



CODE REVIEWS

In the past financial year, the Review of the Pay Television Code has dominated the Authority's work in the code review area. The central importance of this Review resulted in the deferral earlier in the year of an examination of some other codes. While the Review of the Pay Code continues as an important task for the Authority, the substantial progress now achieved means that attention can now be given to the current relevance of some of the other codes of broadcasting practice.

Review of the Pay Television Code - The Report

After evaluating carefully the results of the survey of public opinion on adult material on pay television, and the submissions from the public earlier received, the Authority decided to put some recommendations before the television industry. The Review was released in October 1997 and the Executive Summary observed that all broadcasters, including subscription service providers, were required by the Act to maintain standards of good taste and decency, and standards consistent with the codes of practice. These standards relate to protection of children, the portrayal of violence and safeguards against discrimination.

The Summary also pointed out that the Authority had conducted a major public opinion survey in which it sought to ascertain community views about the broadcast of adult material on pay television. It wrote in the Report released in 1997:

The results of that survey reveal that a majority of people think that pay television subscribers should be able to see a wide range of programmes including R18. They express concern about access by children to adult material, and show a preference for it to be broadcast late at night. When asked whether the rules should be the same for pay and free-to-air television, respondents are equivocal, although there is a slight preference for a single code of practice for all television broadcasters.

It is the Authority's considered view that:

- Time band restrictions should be standardised for pay and free-to-air television and R18 films should not be broadcast until 10.00pm.
- It is confusing to viewers that the pay television code used the same classification symbols as films and videos, even though restrictions cannot be applied to a broadcast medium. This confusion must be removed.
- A single code of practice for all television broadcasters is appropriate.

The Authority will develop a draft code as a basis for consultation with broadcasters, which will incorporate:

- One system of classification using symbols which are distinct from those used for the film and video industries.
- Time zone restrictions for adult material.
- Appropriate warnings for programmes advising viewers of the content.
- Classification of promos.

The research report entitled "Community Attitudes to Adult Material on Pay Television" was released at the same time.

Review of the Pay Television Code - Ongoing Consultations

The Broadcasting Act envisages that code development will involve extensive consultation between the Authority, broadcasters and other interested parties. Indeed, it is implied that the usual process will entail the industry drafting a code which is put before the Authority for approval.

Having released the Review, the Authority then undertook a comprehensive consultation with the television broadcasters - both pay and free-to-air. Central to the broadcasters' concerns was the recommendation for a single code of practice for pay and free-to-air.

The Authority met with broadcasters, and subsequently called for detailed submissions. It concluded that recent

and continuing advances in technology, coupled with the need to maintain flexibility in an industry facing dynamic change, overwhelmingly made a case for separate codes for pay and free-to-air television. It has now asked the pay broadcasters to work with it to settle the contents of a new code. A working party has been formed comprising representatives from the principal pay television operators and Authority staff. The review of the free-to-air code has been deferred temporarily while the pay code is being reviewed.

The Authority has also concluded at this stage that:

- The 8.30pm watershed for programmes with more adult themes or content should be retained.
- Classification systems on both pay and free-to-air should be standardised, where possible.

It is sometimes overlooked by critics that the classification of a programme is the responsibility of the broadcaster. Furthermore, that broadcasters have an ongoing obligation to comply with the standards and requirements of the Broadcasting Act, notwithstanding the particular classification given to a film or to a broadcast.

The Authority has also advised all television broadcasters nevertheless, that in view of the overriding requirements in the Broadcasting Act, it expects there to be many similar standards in the pay and free-to-air codes.

Other Reviews

The applicability of the current Radio Code of Broadcasting Practice to talkback radio has been a challenge both to talkback broadcasters and the Authority for some years. When the

research for the Pay Code Review was completed and the report had been released, the Authority decided to focus on the issue of the standards for talkback radio. However, upon initiating this process, it rapidly became apparent that there were other aspects of the Radio Code which needed updating.

The Authority had also come to the conclusion, during its review of the Pay Code, that while the television code was substantially sound, there were a number of aspects which were no longer directly applicable, given the changes both in technology and broadcasting practices. The Authority came to a similar conclusion when examining and talking to radio broadcasters about the current Radio Code.

The Authority has decided to adopt a similar process for the Radio Code review as it did to the Television Code. Thus, Radio New Zealand Ltd, the Radio Broadcasters Association, and Iwi stations have been asked to review the entire code to ensure that all the provisions remain relevant. It has again been suggested that broadcasters form a group to work with the Authority on the review.

In addition, the radio broadcasters have been asked to consider in particular two matters which, the Authority believes, are not necessarily dealt with adequately in the current code. These concerns focus on the standards which relate to talkback and Access radio.

The codes on standards and fairness give guidance on good practice which all broadcasters are required to reflect. Research and consultation provide the basis for these guidelines.



RESEARCH AND CONSULTATION

Limitations on its ability to conduct adequate research, due to financial constraints, has been a recurring theme in the Authority's Annual Reports. However, as explained in last year's report, the Authority's financial situation was dramatically improved with the enactment of an amendment to the Broadcasting Act in 1996. It provided for a levy of 0.00051 per cent of operating revenue on broadcasters, providing the broadcaster's total annual operating revenue is in excess of \$500,000.

This income allowed the Authority to survey public opinion as part of its review of the Pay Code. The Authority was fortunate to have the services of Linda Sheldon as a research consultant for the survey. Ms Sheldon had formerly been the research director for the Australian Broadcasting Authority.

The Authority's review of the Pay Code was written by Ms Phillipa Ballard, the Authority's Complaints Manager. She also took the responsibility for preparing the report on the Authority's concurrent research on community attitudes. While she was involved in this work, her complaints workload was carried out by other members of the Authority's staff.

On the release of the reports in October 1997, the Authority examined its responsibilities and its structure and decided to employ a Research and Communications Officer. Dr Wiebe Zwaga started in this position in early March 1998. Dr Zwaga has a Ph.D in sociology and was recently employed by the New Zealand Broadcasting School at Christchurch Polytechnic. As the title of the position records, Dr Zwaga has two distinct functions. In the area of research, he has developed a proposal for a substantial ongoing piece of research to provide an up-to-date public opinion on broadcasting standards issues. It is proposed that the survey will measure attitudes to such standards matters as television

violence, good taste and decency, balance and fairness, and children's media habits.

The proposal calls for focus groups to precede the quantitative study to ensure that concepts are addressed in the public opinion survey in a manner familiar to respondents. It is also suggested that the substantial benchmark study be followed up with trend monitors which focus on specific standards issues, and assess changes in attitudes.

The proposal emulates to some extent the research carried out under the auspices of the Broadcasting Standards Commission in the United Kingdom. To assist in the research, both at conceptual and methodological levels, the Authority has been in contact with the BSC to take advantage of the methodological practices which were found useful there.

The Authority formed a Consultative Committee to give it expert advice when it carried out the research into community attitudes towards adult material on television. It found the advice which it was given added substantially to the quality of the research undertaken, and ensured that the research was of a high standard. The competence of the Consultative Committee gave the Authority confidence that any potential criticism of the research could be refuted.

In view of the added value of the Consultative Committee to the research on attitudes to adult material, the Authority decided to form a similar committee to assist with its current research into attitudes to broadcasting standards. The Committee includes Professor Michael Hill, Sociology Department at Victoria University; Reece Walters, Institute of Criminology, Victoria University; Dr Jenny Neale, Research Dean at Victoria University; Garry Dickinson, formerly Chief Mathematician with the Department of Statistics; and Mr David Edmunds,

Programme Standards Manager, TVNZ. The Authority is represented by Dr Zwaga, Dr Stace, Executive Director, and Ms Phillipa Ballard, Complaints Manager. The Authority thought it of particular importance that broadcasters be represented, and it was delighted when Mr Edmunds was nominated to represent the free-to-air television broadcasters.

Consultation is the other aspect of Dr Zwaga's newly-created position. The Authority has made an effort over the years to engage in consultations with broadcasters throughout the country. In the past, such consultations have tended either to be sporadic, or to have focused on immediate issues.

The appointment of Dr Zwaga to a position which included communications was designed to remedy this. The process of consultation was begun in May 1998. A range of issues were put to broadcasters when Dr Stace, accompanied by Dr Zwaga, visited the principal radio and television broadcasters throughout New Zealand. Although this programme is not yet completed, broadcasters have expressed their appreciation at the interest shown by the Authority's representatives in the issues discussed. The Authority intends to maintain the closer relations that have been established.

While the Authority at present participates in the teaching programme at a number of universities and polytechnics, the consultation process has also involved visits by Dr Stace and Dr Zwaga to the leaders of media and journalism courses throughout the country.

The educational institutions have been advised that the Authority is keen to continue to take part in courses which study broadcasting standards and regulatory agencies, and to help students gain a deeper appreciation of both the broadcasting standards regime, and the standards expected of broadcasters.



INTERNATIONAL RELATIONS

Media internationalisation is already a truism. The death of Princess Diana exemplified the reality of the global village. The next major challenge for the Authority will be convergence.

In a recent paper released by the European Commission, "convergence" was said to be most commonly expressed as:

The ability of different network platforms to carry essentially similar kinds of services, or the coming together of consumer devices such as the telephone, television and personal computer.

The ability of the Authority to deal effectively in a world which has fully converged is open to question. Meanwhile, given the increasing internationalisation of the media and the need to keep abreast of technological and regulatory developments, the Authority is proactively seeking opportunities to participate in conferences which look at broadcasting standards issues across borders. The Authority has found that the approach in New Zealand to broadcasting standards issues has been of considerable interest to delegates from other countries.

As noted in last year's report, the Authority's Executive Director attended the meeting of the Broadcasting Regulatory Round Table for Asia and the Pacific in Tokyo in June 1997. The meeting for 1998 has been deferred until September given the economic state in the host country - South Korea. It is planned that Mr Sam Maling, the Chair, will attend.

The Australian Key Centre for Cultural and Media Policy organised a conference in Sydney in November 1997 entitled Cultural Crossroads: Ownership, Access and Industry. The Authority decided that this was an appropriate occasion for wider dissemination of the Pay Code Review and accompanying research. Accordingly, Phillipa Ballard and Linda Sheldon addressed conference workshops on these issues.

In February this year, the Executive Director represented the Authority at the Australasian Cable and Satellite

Exhibition and Conference in Sydney. It was an ideal opportunity to gather up-to-date information on the advances in technology - specifically the standards issues raised by digitalisation - in both television and radio. There was one theme apparent at the conference which even the technologists, when confronted, admitted was highly relevant. It was acknowledged that despite the rhetoric of technologically neutral legislation and free market decision making, the history of broadcasting involves considerable government intervention. The Authority must, when approving codes of broadcasting practice and determining formal complaints, remain aware of both advances in technology and political decision making.

This duality was clearly apparent to the Executive Director who, while in Sydney, agreed to an urgent request to make a submission in Canberra to the Australian Senate's IT Committee on the Authority's approach to privacy complaints. The Senate Committee's mandate included the task of investigating privacy issues within the media.

While in Sydney, the Executive Director took the opportunity to meet with a number of members and staff of the Australian Broadcasting Authority, and to discuss issues of mutual interest.

The first World Summit on Children's Television was held in Melbourne in 1995. The Authority was represented by a Member and the then Executive Director (Lyndsay Loates and Gail Powell). The second World Summit was held in London in March this year and the Authority decided that it was appropriate again to be represented by a Member - Rosemary McLeod, and a staff member - Phillipa Ballard.

The issue of television broadcasting standards for children is one of the more difficult faced by the Authority because of what some regard as its detrimental influence, while as the research in New Zealand and elsewhere has shown, it is also one of the more important concerns for viewers. By its participation, the Authority is able to remain abreast of current international thinking on this complicated issue.

Of equal importance, the occasion provided the opportunity to meet people from broadcasting regulatory regimes from a number of countries. Of particular relevance were the meetings convened by the Broadcasting Standards Commission in the United Kingdom. Such meetings are of particular importance as agencies realise that the issues they face are, in many instances, common concerns. Not only are procedures adopted elsewhere assessed for their application in each member's own country, but networks are established to enable ongoing liaison by way (usually) of email.

The approach in New Zealand to regulatory standards for radio broadcasters was explained when the Chair (Sam Maling) addressed the Commonwealth Broadcasting Association conference in Gibraltar in May this year. The delegates from other commonwealth countries displayed considerable interest in the process followed in New Zealand.

In addition to the gatherings listed above, the Authority is represented at meetings, seminars and conferences in New Zealand which in some way deal with issues of broadcasting standards.

In February this year in Auckland, Members, Lyndsay Loates and Joan Withers, and staff, Michael Stace, Phillipa Ballard, and Di Berry, attended the Media Ethics Conference and workshop. As the programme dealt with a number of aspects of broadcasting standards, the Authority sponsored the conference to the sum of \$2,000.

Much of the discussion literally took place in the dark (during Auckland's power crisis), but the Authority's representatives found the thoughtful way in which the issues were approached illuminating, and of considerable value. The Authority's approach to privacy was commented on vigorously - by some in support, and by others who were critical. The conference reinforced the message for the Authority that broadcasting standards often involve ethical issues and values which are central to our society.



STAFF

The small number of Authority staff handle the workload in a competent manner. The experience of the staff in their positions is such that they are each able to handle a variety of tasks. Complaints Executive Felicity Steel resigned in late 1997 and she was replaced by Di Berry. Di has had extensive legal experience in New South Wales and although she started

in her position at a time when the complaints were becoming increasing complex, she has settled well into the position. As detailed earlier, Dr Wiebe Zwaga was appointed in March 1998 to the new position of Research and Consultation Officer. He has relevant academic qualifications and teaching experience from Victoria and Massey Universities, as well as teaching

experience with the New Zealand Broadcasting School in Christchurch. He also has experience as a Research Director with a market research company in Amsterdam. The Authority Members record their appreciation for the able way the staff conscientiously fulfil their duties.



STAFF

Michael Stace LL.M., D. Jur.
Phillipa Ballard M.A., LL.B.
Wiebe Zwaga M.A., Ph.D.
Di Berry B.A., LL.B.
Elizabeth Wallace
Deborah Houston
Madeline Palmer

Executive Director
Complaints Manager
Research and Communications Officer
Complaints Executive
Financial Controller
Office Manager
Receptionist

OFFICE

2nd floor, Lotteries Commission Building
54-56 Cambridge Terrace, PO Box 9213
Wellington, New Zealand
Telephone: 64 04 382 9508 Facsimile: 64 04 382 9543
email: info@bsa.govt.nz
website: <http://www.bsa.govt.nz>

STATEMENT OF OBJECTIVES & SERVICE PERFORMANCE



OUTPUT 1 DETERMINE FORMAL COMPLAINTS

The Authority will determine complaints referred after consideration by the broadcaster or privacy complaints sent directly to the Authority, as promptly and informally as possible, mindful of the quasi-judicial nature of the Authority and following the principles of natural justice and other requirements of the Act 1989.



OUTCOME

Improved compliance with the broadcasting standards.



TIMELINESS

The Authority will issue decisions within 40 working days of receipt of final comment from all parties, unless delayed by court proceedings. Complaints on party political advertising will be fast-tracked and decisions issued within 48 hours of receipt. Decisions will be despatched to the parties within a day of date of signature.



QUALITY

The Authority will recognise community standards and expectations, the production realities which broadcasters face, research findings and international practices when relevant.

Decisions will be, and will be seen to be, principled, firm, just and relevant by the complainant, public and broadcasters. They will be written in a concise and logical manner and explain clearly the Authority's reasons and expectations. Complex decisions will be summarised for the media to ensure accurate reporting.

The high quality of the decisions will be maintained by a quality management process incorporating an in-house review of the draft decision and a review by at least one Authority member before the decision is finally approved by the Chairperson.

Sanctions will be fair and effective.

The Authority will exercise its power to order a broadcaster to pay costs to the Crown in a fair and reasonable manner.

The Authority will respond to all queries about formal complaints procedures in a helpful and "user-friendly" manner and provide accurate and full information while maintaining impartiality.



QUANTITY

This number is demand driven and it is expected that between 175 - 200 complaints will be received.



PERFORMANCE

TARGET ACTIVITIES 1997/98	ACTUAL
Deal expeditiously with all complaints received	Achieved
Issue decisions within 40 working days after receipt of final comment unless delayed by court proceedings	85%
Seek views of the formal complaints process under the Broadcasting Act	Underway

	1993/94	1994/95	1995/96	1996/97	1997/98
COMPLAINTS RECEIVED	168	162	179	206	174
COMPLAINTS DETERMINED					
TOTAL DECISIONS ISSUED:	151	144	171	199	177
UPHELD (ALL OR IN PART)	54	50	50	42	41
NOT UPHELD	97	94	121	157	136 ¹
INTERLOCUTORY DECISIONS	1	1	-	-	1
DECLINED JURISDICTION (TIME BAR, ETC)	12	9	13	8	5
WITHDRAWN	11	10	4	8	13
ORDERS	9	7	19	13	20
ADVISORY OPINIONS	2	-	1	-	-
DECISIONS ISSUED WITHIN 40 WORKING DAYS	81%	84%	92%	91%	85%

COSTS	BUDGET ²	ACTUAL ²
Financial	\$492,114	\$447,845
% of total resources	51%	58%
Members' time	80%	80%

- Notes**
- 1 Includes 11 decisions which the Authority declined to determine
 - 2 Includes a portion of overheads



OUTPUT 2 REVIEW CODES OF BROADCASTING PRACTICE

The Authority, mindful of public views, local and international practices and research findings, will assess the adequacy of the codes developed by the broadcasters. If the codes do not appear adequate, the Authority will encourage broadcasters to develop new standards which meet the Authority's concerns. As a last resort, the Authority will impose codes.

● OUTCOME

Adequate and easily understood codes which contribute to acceptable standards on radio and television.

● TIMELINESS

A code will be reviewed when it is shown to be inadequate, either during consideration of formal complaints or where there is significant demand by broadcasters or the public for a review.

● QUALITY

The Authority will consult extensively when undertaking a formal review of a code. The review will be handled in a professional manner including announcing the review publicly and providing detailed information to all known interested parties. Discussion papers about the parameters of the review and the time frame will be clearly written and distributed widely. Public input will be thoroughly assessed and all viewpoints given careful consideration.

● PERFORMANCE

TARGET ACTIVITIES 1997/98	ACTUAL
Complete the review of pay television code	In progress
Consult with broadcasters on consequent amendments to the codes	Ongoing
Consult with broadcasters on standards for talkback programmes	Underway
Continue to investigate the appropriateness of the television code for the protection of children	Ongoing
Consult with broadcasters on the standards for commercial radio	Underway

COSTS	BUDGET	ACTUAL ¹
Financial	\$107,053	\$93,372
% of total resources	11%	12%
Members' time	12.5%	12.5%

Notes | ¹ Includes portion of overheads



OUTPUT 3 RESEARCH

As resources permit, the Authority will use its own staff and commission experienced researchers to conduct New Zealand-specific research on broadcasting standards and community views and publish the findings.



OUTCOME

Expanded knowledge so that the Authority's ability to improve codes and determine complaints is enhanced and thereby assisting broadcasters in maintaining standards acceptable to ordinary viewers and listeners.



QUALITY

Research priorities will be carefully assessed based on the Authority's strategic goals and public concerns. Both internal and commissioned research will meet all the professional criteria for quality research. Findings will be published as soon as they are available.

The Authority will use a range of consultation techniques, which take account of geographical spread and minority views, to keep in touch with the opinions of New Zealand viewers and listeners. Local consultations will be advertised widely and handled in a friendly and informal manner.



PERFORMANCE

TARGET ACTIVITIES 1997/98	ACTUAL
Complete the examination of the different and confusing classification codes used in New Zealand and investigate the possibility of a unified system of classification	Achieved
Investigate research on "protection of children" issues	Ongoing
Consider repeating a monitor of television violence and examine trends	Achieved
Publish all relevant research reports	Achieved

COSTS	BUDGET	ACTUAL
Financial	\$268,602	\$171,278
% of total resources	28%	22%
Members' time	5%	5%

Notes | Includes portion of overheads



OUTPUT 4 PUBLICATIONS, INFORMATION AND PROMOTION

The Authority will use appropriate opportunities to stimulate debate about standards matters, the role of the Authority and the way individuals and groups can influence broadcasters' decisions about standards issues, including use of the formal complaints process.



OUTCOME

Raised awareness about standards matters.



QUALITY

Published information will be easily understood, eye-catching and professionally produced. Essential material will be published in English, Maori and Samoan languages.



TIMELINESS

The Authority will release public statements at every appropriate opportunity to publicise its work. New editions of the codes and brochures will be published as soon as is practicable after changes are made. Subscription copies of decisions will be despatched 48 hours after the decision is sent to the parties.



PERFORMANCE

TARGET	1997/98	STATUS
Continue to publish in English, Maori and Samoan the Complaints Procedures brochure and distribute the Codes of Broadcasting Practice		Achieved
Continue to publish and distribute widely, free of charge, the brochures about the procedures for making formal complaints		Achieved
Continue to offer a subscription service for the Authority's decisions		Achieved
Develop, in liaison with appropriate groups, an educational kit to use in schools to increase understanding of standards issues		Underway
Publish the Authority's decisions and other information on the Internet		Achieved
Liaise with the industry in the exploration of issues relating to ethical broadcasting conduct		Ongoing

COSTS	BUDGET	ACTUAL ¹
Financial	\$98,751	\$65,987
% of total resources	10%	8%
Members' time	2.5%	2.5%

Notes | ¹ Includes portion of overheads

**BROADCASTING STANDARDS AUTHORITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 1998**

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Statement of Movement in Public Equity

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STATEMENT OF RESPONSIBILITY

The Board and management of the
Broadcasting Standards Authority
is responsible for the preparation of these financial
statements and the judgments used herein.

The Board and management of the
Broadcasting Standards Authority is responsible
for establishing and maintaining a system of
internal control designed to provide reasonable
assurances as to the integrity and reliability
of financial reporting.

In the opinion of the Board and management,
these financial statements
fairly reflect the financial position and operations
of the Broadcasting Standards Authority
for the year ended 30 June 1998.

Sam Maling
CHAIRPERSON

Michael Stace
EXECUTIVE DIRECTOR



REPORT OF THE AUDIT OFFICE

TO THE READERS OF THE FINANCIAL STATEMENTS OF BROADCASTING STANDARDS AUTHORITY FOR THE YEAR ENDED 30 JUNE 1998

We have audited the financial statements on pages 13 to 16 and pages 20 to 27. The financial statements provide information about the past financial and service performance of Broadcasting Standards Authority and its financial position as at 30 June 1998. This information is stated in accordance with the accounting policies set out on pages 23 and 24.



RESPONSIBILITIES OF THE AUTHORITY

The Public Finance Act 1989 and the Broadcasting Act 1989 requires the Board to prepare financial statements in accordance with generally accepted accounting practice which fairly reflect the financial position of Broadcasting Standards Authority as at 30 June 1998, the results of its operations and cash flows and the service performance achievements for the year ended 30 June 1998.



AUDITOR'S RESPONSIBILITIES

Section 43(1) of the Public Finance Act 1989 requires the Audit Office to audit the financial statements presented by the Board. It is the responsibility of the Audit Office to express an independent opinion on the financial statements and report its opinion to you.

The Controller and Auditor-General has appointed John O'Connell, of Audit New Zealand, to undertake the audit.



BASIS OF OPINION

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Board in the preparation of the financial statements; and
- whether the accounting policies are appropriate to Broadcasting Standards Authority's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditor acting on behalf of the Controller and Auditor-General, we have no relationship with or interests in the Broadcasting Standards Authority.



UNQUALIFIED OPINION

We have obtained all the information and explanations we have required.

In our opinion the financial statements of Broadcasting Standards Authority on pages 13 to 16 and pages 20 to 27:

- comply with generally accepted accounting practice; and
- fairly reflect:
 - the financial position as at 30 June 1998;
 - the results of its operations and cash flows for the year ended on that date; and
 - the service performance achievements in relation to the performance targets and other measures adopted for the year ended on that date.

Our audit was completed on 8 October 1998 and our unqualified opinion is expressed as at that date.

John O'Connell
Audit New Zealand

On behalf of the Controller and Auditor-General
Wellington, New Zealand



STATEMENT OF FINANCIAL PERFORMANCE

BROADCASTING STANDARDS AUTHORITY FOR THE YEAR ENDED 30 JUNE 1998

	NOTES	1998 Actual \$	1998 Budget \$	1997 Actual \$
INCOME				
Grant		488,889	488,889	488,889
Broadcasting Levy		348,582	345,000	342,780
Interest		43,308	25,000	31,514
Publication Sales		5,567	3,000	7,261
Gain on Asset Sales		744	-	-
Other		-	-	461
TOTAL INCOME		887,090	861,889	870,905
LESS EXPENDITURE				
Human Resources	1	437,370	465,000	367,946
Other Expenses	2	318,155	481,520	302,198
Depreciation		22,955	20,000	28,802
TOTAL EXPENDITURE		778,480	966,520	698,946
SURPLUS OF INCOME OVER EXPENDITURE				
Transferred to Public Equity		\$108,610	(\$104,631)	\$171,959



STATEMENT OF MOVEMENT IN PUBLIC EQUITY

BROADCASTING STANDARDS AUTHORITY AS AT 30 JUNE 1998

	NOTES	1998 Actual \$	1998 Budget \$	1997 Actual \$
Public equity brought forward as at 1 July		244,287	244,287	72,328
Net operating surplus/(deficit)		108,610	(104,631)	171,959
Total recognised revenues and expenses for the year		108,610	(104,631)	171,959
TOTAL PUBLIC EQUITY		\$352,897	\$139,656	\$244,287

The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements



STATEMENT OF FINANCIAL POSITION

BROADCASTING STANDARDS AUTHORITY AS AT 30 JUNE 1998

	NOTES	1998 Actual \$	1998 Budget \$	1997 Actual \$
● CURRENT ASSETS				
Cash, Bank & Term Deposits	4	395,296	159,998	283,579
Accounts Receivable & Accrued Interest		344	150	100
Prepayments		767	500	542
GST Receivable		8,677	6,000	15,050
		<hr/>	<hr/>	<hr/>
		405,084	166,648	299,271
 ● LESS CURRENT LIABILITIES				
Accounts Payable & Accruals		82,882	56,992	68,705
Employee Entitlements		13,503	10,000	13,635
		<hr/>	<hr/>	<hr/>
● WORKING CAPITAL		308,699	99,656	216,932
 ● NON CURRENT ASSETS				
	5	44,198	40,000	27,355
		<hr/>	<hr/>	<hr/>
● NET ASSETS		352,897	139,656	244,287
 ● PUBLIC EQUITY				
		352,897	139,656	244,287
		<hr/>	<hr/>	<hr/>
● TOTAL PUBLIC EQUITY		\$352,897	\$139,656	\$244,287

Sam Maling *Michael Stace*

Sam Maling
Chairperson

Michael Stace
Executive Director

Wellington
8 October 1998

The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements



STATEMENT OF CASH FLOWS

BROADCASTING STANDARDS AUTHORITY FOR THE YEAR ENDED 30 JUNE 1998

	NOTES	1998 Actual \$	1998 Budget \$	1997 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Grants and Publication Sales		494,213	491,889	496,558
Broadcasting Levy		348,582	345,000	342,780
Interest Received		43,308	25,000	31,514
Net GST Received from IRD		6,373	-	-
Cash was disbursed to:				
Payments to Employees & Members		(435,166)	(465,000)	(333,175)
Payments to Suppliers & Other Operating Expenses		(304,635)	(481,520)	(335,455)
Net GST Paid to IRD		-	-	(12,654)
Net Cash Flow From Operating Activities	6	<u>152,675</u>	<u>(84,631)</u>	<u>189,568</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Sale of Fixed Assets		744	-	758
Finance on Hire Purchase		-	-	5,881
Cash was disbursed to:				
Purchase of Fixed Assets		(39,799)	(37,000)	(11,828)
Repayment of Hire Purchase Loan		(1,903)	(1,950)	(1,396)
Net Cash Flows From Investing Activities		<u>(40,958)</u>	<u>(38,950)</u>	<u>(6,585)</u>
NET INCREASE IN CASH HELD		111,717	(123,581)	182,983
PLUS Opening Cash Brought Forward		283,579	283,579	100,596
ENDING CASH CARRIED FORWARD	4	<u>\$395,296</u>	<u>\$159,998</u>	<u>\$283,579</u>

The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements



STATEMENT OF ACCOUNTING POLICIES

BROADCASTING STANDARDS AUTHORITY FOR THE YEAR ENDED 30 JUNE 1998

REPORTING ENTITY

These are the financial statements of the Broadcasting Standards Authority, a Crown entity in terms of the Public Finance Act 1989. These financial statements have been prepared in accordance with section 41 of the Public Finance Act 1989.

MEASUREMENT SYSTEM

The measurement base adopted is that of historical cost unless otherwise stated.

ACCOUNTING POLICIES

The following accounting policies which materially affect the measurement of financial performance, position and cash flows of the Authority have been applied:

1. Fixed Assets

Fixed assets are recorded at historical cost less accumulated depreciation.

2. Depreciation

Depreciation of fixed assets is provided on a straight line basis on all tangible fixed assets, at rates calculated to allocate the assets' cost less estimated residual value, over their estimated useful lives:

Partitions, Office Equipment	
Furniture and Fittings	5 years
Photocopy Equipment	
Computer Hardware	3 years

3. Receivables

Accounts receivables are stated at their estimated net realisable value.

4. Lease Payments

Operating lease payments, where lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating result in equal instalments over the lease terms.

5. Taxation

- a) Income tax: Exempt from the payment of income tax in terms of the Income Tax Act 1976
- b) FBT: FBT is payable on all fringe benefits
- c) GST: The Authority is a registered trader for GST purposes and is liable for GST on all goods and services supplied. The financial statements are prepared GST exclusive except for accounts receivable which is GST inclusive.

6. Financial Instruments

Broadcasting Standards Authority is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are recognised in the statement of financial position and all revenues and expenses in relation to financial instruments are recognised in the statement of financial performance.

7. Provision for Employee Entitlement

Annual leave is recognised on an entitlement basis.

8. Budget Figures

The budget figures are those approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Board for the preparation of the financial statements.

● 9. Revenue

Broadcasting Standards Authority derives revenue in part through the provision of Outputs to the Crown, for services to third parties, from the levy imposed by the legislation on broadcasters, and income from its investments. Such revenue is recognised when earned and is reported in the financial period to which it relates.

● 10. Cost of Service Statements

The Cost of Service Statements, as reported in the Statement of Objectives and Service Performance, report the net cost of services for the outputs of the Broadcasting Standards Authority and are represented by the costs of providing the output less all the revenue that can be allocated to these activities.

Cost Allocation

Broadcasting Standards Authority has derived the net cost of service for each significant activity using the cost allocation system outlined below.

Cost Allocation Policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on estimated usage.

● 11. Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

NOTES TO THE FINANCIAL STATEMENTS

BROADCASTING STANDARDS AUTHORITY FOR THE YEAR ENDED 30 JUNE 1998

1. HUMAN RESOURCES

	1998 Actual \$	1998 Budget \$	1997 Actual \$
Consultancy/Contract Services	1,495	4,000	1,754
Members' Fees	142,372	132,000	108,790
Staff Remuneration	293,503	329,000	257,402
	\$437,370	\$465,000	\$367,946

2. OTHER EXPENSES

	1998 Actual \$	1998 Budget \$	1997 Actual \$
Audit of Financial Statements	9,274	7,200	7,200
Complaints	24,199	33,500	23,693
Information and Promotion	21,015	50,500	29,355
Office Expenses	34,197	43,720	29,650
Rent and Maintenance	36,087	37,000	35,015
Research/Seminar	116,863	208,500	127,111
Code Reviews	1,072	7,000	-
Loss on Sale of Asset	-	-	94
Travel,Accommodation & Training	75,448	94,100	50,080
	\$318,155	\$481,520	\$302,198

3. BUDGETED EXPENDITURE

The budgeted expenditure targets published in the Broadcasting Standards Authority's 1997/98 Statement of Intent (SOI) were prepared in March 1997 and recalculated in August 1997 upon finalisation of the year end figures.

The recalculated targets are included in this report. The SOI had anticipated a surplus of \$6,875 compared to the budgeted loss in the Statement of Financial Performance of \$104,631. The effect of the changes are included in the budgeted cost figures reported in the Output Statements.

4. CASH, BANK & TERM DEPOSITS

This comprises cash balances held on hand and in deposits with New Zealand banks.

	1998 Actual \$	1998 Budget \$	1997 Actual \$
Cash on hand:			
Petty Cash	100	100	100
Banks:			
WestpacTrust, Countrywide Bank			
- Current Accounts	29,996	10,000	6,340
- Ready Access/Term Deposit	365,200	149,898	277,139
	\$395,296	\$159,998	\$283,579

5. NON CURRENT ASSETS

1996/97			1997/98
5,687	Artworks	At cost	5,687
<u>(5,687)</u>		Accumulated Depreciation	<u>(5,687)</u>
-		Net Current Value	-
50,411	Computer Equipment	At cost	65,298
<u>(45,134)</u>		Accumulated Depreciation	<u>(34,781)</u>
<u>5,277</u>		Net Current Value	<u>30,517</u>
50,336	Furniture & Fittings	At cost	51,737
<u>(49,155)</u>		Accumulated Depreciation	<u>(49,550)</u>
<u>1,181</u>		Net Current Value	<u>2,187</u>
56,080	Partitioning & Fitout	At cost	56,080
<u>(52,438)</u>		Accumulated Depreciation	<u>(56,078)</u>
<u>3,642</u>		Net Current Value	<u>2</u>
16,765	Photocopier	At cost	16,765
<u>(7,909)</u>		Accumulated Depreciation	<u>(13,492)</u>
<u>8,856</u>		Net Current Value	<u>3,273</u>
23,635	Office Equip/Televisions	At cost	25,537
<u>(15,237)</u>		Accumulated Depreciation	<u>(17,319)</u>
<u>8,397</u>		Net Current Value	<u>8,218</u>
202,914	TOTAL FIXED ASSETS	At cost	221,106
<u>(175,559)</u>		Accumulated Depreciation	<u>(176,908)</u>
<u>27,355</u>		Net Current Value	<u>44,198</u>

6. RECONCILIATION OF THE NET OPERATING SURPLUS WITH NET CASH FLOWS FROM OPERATING ACTIVITIES FOR THE YEAR

	1998	1997
	Actual	Actual
	\$	\$
Reported Surplus For The Year	108,610	171,959
Add Non-Cash Items:		
Depreciation	22,956	28,801
Adjust Item Classified As Investing Activity:		
Net (Profit)Loss on Sale of Fixed Assets	(744)	95
Add Movements In Other Working Capital Items:		
(Increase) Decrease in Accounts Receivable	(244)	(60)
Increase (Decrease) in Accounts Payable	16,081	(5,561)
Increase (Decrease) in Provision for Holiday Pay	(132)	4,105
(Increase) Decrease in Net GST Receivable	6,373	(9,229)
(Increase) Decrease in Prepayments	(225)	(542)
Net Cash Flow From Operating Activities	<u>\$152,675</u>	<u>\$189,568</u>

7. STATEMENT OF COMMITMENTS

The following significant future commitments have been incurred by the Broadcasting Standards Authority against future years' income.

Leased Premises

The Authority has a lease from the NZ Lotteries Commission for the rental of the premises comprising part of the second floor, 54-56 Cambridge Terrace, Wellington from July 1 1998 until July 1 2001.

	1998	1997
	\$	\$
Less than one year	29,857	28,695
One to two years	29,857	-
Three to five years	29,857	-
Total Rent Expenditure Committed	\$89,571	\$28,695

Capital Commitments	1997/98	1996/97
	Nil	Nil

Finance Lease Liabilities	1997/98	1996/97
Less than one year	2,411	2,411
One to two years	402	2,411
Two to five years	-	402
Total	\$2,813	\$5,224

Future finance charges	(231)	(739)
Recognised as a liability	2,582	4,485

8. STATEMENT OF CONTINGENT LIABILITY

As at 30 June 1998 eight decisions of the Authority are in various stages of appeal in the High Court and judicial review has been sought on one decision. The basis of the appeals is to overturn a decision by the Authority. The awarding of legal costs will be the only impact on the Authority. As at 30 June 1997 there were eight decisions in appeal.

9. FINANCIAL INSTRUMENTS

Broadcasting Standards Authority is party to financial instrument arrangements as part of its everyday operations. These financial instruments include instruments such as bank balances, investments and accounts receivable.

CREDIT RISK

In the normal course of its business the Authority incurs credit risk from trade debtors, and transactions with financial institutions.

The Authority does not require any collateral or security to support financial instruments with financial institutions that the Authority deals with, as these entities have high credit ratings. For its other financial instruments the Authority does not have significant concentrations of credit risk.

FAIR VALUE

The fair value of financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

CURRENCY AND INTEREST RATE RISK

The Authority has no exposure to interest rate or currency risk on its financial instruments.

10. RELATED PARTY INFORMATION

The Broadcasting Standards Authority is a wholly owned entity of the Crown. The Government provides a major source of revenue (Grant) via the Ministry of Commerce.

The provision of these funds is on an arm's-length basis and is not considered to be a related party transaction. There were no other related party transactions.



APPENDIX 1 ANALYSIS OF DECISIONS

July 1997 - June 1998	Complaints Received : 174	Decisions Issued : 177
July 1996 - June 1997	Complaints Received : 206	Decisions Issued : 199
July 1995 - June 1996	Complaints Received : 179	Decisions Issued : 171
July 1994 - June 1995	Complaints Received : 162	Decisions Issued : 144
July 1993 - June 1994	Complaints Received : 168	Decisions Issued : 151
July 1992 - June 1993	Complaints Received : 159	Decisions Issued : 144
July 1991 - June 1992	Complaints Received : 106	Decisions Issued : 76
July 1990 - June 1991	Complaints Received : 52	Decisions Issued : 45
July 1989 - June 1990	Complaints Received : 43	Decisions Issued : 12

July 1997 - June 1998

BASIS OF COMPLAINT (1996 - 1997 Figures in brackets)

	Total	Good Taste & Decency (including language)	Balance, Fairness and Accuracy
Declined*	136 (157)	41 (50)	63 (80)
Upheld (all or in part)	41 (42)	8 (11)	26 (20)
Declined Jurisdiction	6 (8)		
Complaints Withdrawn	15 (8)		

	Alcohol Advertising	Violence	Privacy
Declined	1 (5)	5 (6)	21 (13)
Upheld (all or in part)	- (3)	- (2)	7 (5)

	Racism	Other	Sexism
Declined	2 (-)	- (1)	3 (2)
Upheld (all or in part)	- (-)	- (1)	- (-)

The Authority made 20 orders during the year, of which 17 were against a broadcaster and three against a complainant. On ten occasions, the broadcaster was ordered to pay costs to the Crown. The amounts involved were \$3,000 (1), \$750 (2), \$500 (3) and \$250 (4). On seven occasions after a breach of privacy had been determined (including one decision where the broadcaster was required to pay costs to the Crown), the broadcaster was ordered to pay compensation to the complainant in the sum of \$500 (2) and \$250 (5). The order on two occasions involved the broadcast of a brief summary of the decision, in a manner approved by the Authority. The order for a statement was combined with an order for costs on one occasion. The three instances where an order was imposed against a complainant involved an order for costs to the broadcaster against the same complainant, of \$100 on each occasion. The Authority found the complaints to be vexatious and trivial and had declined to determine earlier complaints from the same complainant.

* This category includes the nine decisions where the Authority, after fully investigating the complaint, issued a decision in which it declined to determine the complaint.

BY BROADCASTER AND PROGRAMME

TVNZ	Total	News	Current Affairs	Holmes	Talk Back	Documentary	Other
Declined	64 (84)	20 (37)	9 (9)	6 (4)	-	2 (3)	27 (31)
Upheld (all or in part)	12 (19)	- (4)	4 (4)	5 (2)	-	- (-)	3 (9)
TV3			Current Affairs				
Declined	35 (39)	9 (9)	8 (9)			3 (-)	15 (21)
Upheld (all or in part)	10 (13)	2 (2)	3 (5)			2 (-)	3 (6)
MaxTV							
Declined	-						
Upheld (all or in part)	1						1
Sky							
Declined	2 (-)						2 (-)
Upheld (all or in part)	- (-)						- (-)
RNZ							
Declined	13 (15)	8 (6)	2 (1)			- (1)	3 (7)
Upheld (all or in part)	2 (1)	2 (1)	- (-)			- (-)	- (-)
TRN							
Declined	8 (3)	2 (1)			5 (-)		1 (2)
Upheld (all or in part)	1 (-)	1 (-)			- (-)		- (-)
Private & Other Radio							
Declined	14 (13)	2 (3)			1 (4)		11 (6)
Upheld (all or in part)	15 (8)	1 (-)			2 (5)		12 (3)

APPENDIX 11 COMPLAINTS DETERMINED BY THE AUTHORITY

JULY 1997 - JUNE 1998

Decision Number	Complainant	Programme	Nature of Complaint	Decision
7-004	Frank Harris	60 Minutes item profiling the Hurricanes rugby team, TVNZ	Offensive language	Not Upheld
7-005	G E Williams	3 National News, introduction to the weather, TV3	Inaccurate	Not Upheld
7-006	David Currie	Tonight item on drugs and driving, TVNZ	Untrue, unbalanced and unfair	Not Upheld
7-007	Robert Terry	One Network News item on campaign to recover unpaid fines, TVNZ	Unbalanced	Declined to determine
7-008	R J Healing	Song "Creep", C93FM	Offensive language	Not Upheld
7-009	Dan Gallagher	Billy Connolly's World Tour of Australia, TV3	Offensive language	Not Upheld
7-010	Edwar Dinkha	"Voice of Mesopotamia", programme in the Assyrian language, Access Community Radio Auckland Inc.	Action taken having upheld complaint, was not sufficient	Upheld; Broadcast of an apology ordered
7-011	Wellington Palestine Group	News item on construction of Jewish housing settlement, RNZ	Misleading and inaccurate	Not Upheld
7-012	Robita Johnson	Promos for <i>Third Rock from the Sun</i> and <i>It's a Man's World</i> , TV3	Offensive and inappropriate when children are watching	Not Upheld
7-013	Dr J J Small	Rugby match, TVNZ	Absence of disapproval by commentators of violent incident	Not Upheld
7-014	SV R Young	News item about escaped monkeys, RNZ	Untruthful and inaccurate	Not Upheld
7-015	Lee-Ann Mead	Film review of <i>Matilda</i> , Lake City 96FM (Rotorua)	Denigratory	Not Upheld
7-016	Palmerston North City Council	News items about Council's decision to remove trees, TRN	Unbalanced, unfair and partial	Upheld in relation to failure to keep tape for 35 days; Not Upheld on all other aspects
7-019	The Rowan Partnership	Talkback discussion on Spice Girls' performance of the haka, TRN	Unbalanced, unfair and partial	Not Upheld
7-020	Murray Arnesen	60 Minutes, investigation into the affairs of a Tauranga pastor, TVNZ	Breach of privacy	Not Upheld
7-021	Murray Arnesen	60 Minutes, investigation into the affairs of a Tauranga pastor, TVNZ	Unfair and unbalanced	Upheld in part
7-022	L Letica	Holmes item on unvelling memorial in Croatia, TVNZ	Inaccurate	Declined to determine
7-023	Ivan Hansen	Holmes item about creditor digging up carpark, TVNZ	Failure to show respect for the law	Not Upheld
7-024	Nicholas Lucas	Birthday call, 98 More FM, Dunedin	Discriminated against Catholics	Not Upheld
7-025	Melanie Smith and Teresa Sammut-Smith	60 Minutes item on rape charge against rugby player Roger Randle, TVNZ	Biased and unfair to rape victim	Upheld
7-026	Michelle McBride	Who Dares Wins, TVNZ	Offensive and unsuitable for children	Not Upheld
7-027	John Malcolm	Promo for <i>Cold Feet</i> showed naked man covering his genitals with his hands, TVNZ	Offensive and unsuitable for children	Not Upheld
7-028	Complainant X	20/20 item on release of David Dougherty from prison following his re-trial, TV3	Untruthful and inaccurate	Not Upheld
7-029	Robin Warnes	Talkback host's view that there were too many support groups for suicidal youth, Radio Pacific	Offensive and discriminated against disadvantaged listeners	Not Upheld
7-030	W M Moore	Music video of Primal Scream's "Kowalski", TVNZ	Offensive, unsuitable for children, denigrated the Church, and contained violence	Not Upheld

Decision Number	Complainant	Programme	Nature of Complaint	Decision
1997-111	St Bede's College	Talkback host's view on corporal punishment at St Bede's College, TRN	Action taken by broadcaster insufficient	Not Upheld
1997-112	Gregory Shaw	Fair Go item on home builder, TVNZ	Inaccurate and unfair	Upheld in part
1997-113	Lancaster Sales and Service Ltd	Fair Go item on secondhand car dealer, TVNZ	Unfair	Upheld; Broadcast of summary ordered
1997-114	Road Transport Forum New Zealand	3 National News item on truck tailgating, TV3	Unfair, inaccurate, and used deceptive programme practice	Upheld; Broadcast of summary ordered, and costs of \$500 to the Crown
1997-115	Women Against Pornography	Music video "Pussywalk", Max TV	Offensive, demeaning to women	Upheld; Costs of \$3,000 to the Crown ordered
1997-116	Eleanor Kietzmann	Nightline item showed footage of house which was central to murder enquiry, TV3	Breach of privacy	Not Upheld
1997-117	Michelle McBride	Promo for <i>Who Dares Wins</i> , TVNZ	Offensive and inappropriate for children	Not Upheld
1997-118	Michelle McBride	<i>Who Dares Wins</i> , TVNZ	Offensive and inappropriate for children	Not Upheld
1997-119	Suzanne Morton and David Gordon	Promo for <i>Real TV</i> showed baby being dangled out of window, TV3	Offensive and inappropriate for children	Upheld in part
1997-120	Rachel Medusa	Breakfast show discussion on sexual attributes of women, Radio One Dunedin	Action taken not sufficient	Not Upheld
1997-121	H R Corrin	Tonight item on collection of spiders at Auckland Museum, TVNZ	Inaccurate	Not Upheld
1997-122	G L Brown	3 National News item on shop trading hours, TV3	Partial, denigratory to workers	Not Upheld
1997-123	R J A Miller	Holmes item on MP's cookbook, TVNZ	Unfair, lacked objectivity	Upheld
1997-124	L Smith	Holmes item on MP's cookbook, TVNZ	Unfair, lacked objectivity	Upheld
1997-125	Minister of Housing (Hon Murray McCully)	One Network News item on rent increases for Housing New Zealand tenants, TVNZ	Unfair and unbalanced	Not Upheld
1997-126	Patrick Curran	One Network News, various items on Irish affairs, TVNZ	Biased and selective coverage	Not Upheld
1997-127	Nick Kearney	Holmes item on attack on rugby league referee by spectator, TVNZ	Unfair	Upheld in part
1997-128	Criminal Bar Association	3 National News, broadcast of taped telephone call by MP's lawyer seeking payment for an interview, TV3	Breach of privacy	Not Upheld
1997-129	Criminal Bar Association	3 National News, broadcast of taped telephone call by MP's lawyer seeking payment for interview, TV3	Unfair	Upheld; costs of \$500 to the Crown ordered
1997-130	Ministry of Housing (Hon Murray McCully)	60 Minutes item on claims about odometer tampering in imported cars, TVNZ	Unfair and unbalanced	Upheld in part
1997-131	Hon Peter Dunne (leader of United NZ)	One Network News, item reporting results of political polling, TVNZ	Unbalanced	Not Upheld
1997-132	D L Hurdell	<i>Off the Planet</i> , episode on 26.6.97, TV3	Offensive and inappropriate for children	Not Upheld
1997-133	Elaine Hadfield	Holmes item on unorthodox approach of social rugby team, TVNZ	Promotion of alcohol	Not Upheld

Decision Number	Complainant	Programme	Nature of Complaint	Decision
1997-134	Robert Smith	Air New Zealand Holiday programme on 5.7.97.TVNZ	Inaccurate, Unfair	Not Upheld
1997-135	Gary James	20/20 item on problems within the Ambulance Service, TV3	Breach of privacy	Upheld, compensation of \$500 to complainant ordered
1997-136	Brian Ross	20/20 item on problems within the Ambulance Service, TV3	Breach of privacy	Upheld, compensation of \$500 to complainant ordered
1997-137	William Wyber	Trailer for radio play, RNZ	Insufficient action taken	Not Upheld
1997-138	Mrs B	Request session, Xtreme 100FM (Hastings)	Breach of privacy	Upheld, compensation of \$250 to complainant ordered
1997-139	Mrs B	Request session, Xtreme 100FM (Hastings)	Unfair and in bad taste	Upheld, costs of \$250 to the Crown ordered
1997-140	Lynn Phease	Promo for Police Stop!, TV3	Editing unfair	Upheld in Part
1997-141	Lynn Phease	Police Stop! episode showed footage of scene at fatal accident and motorcycle rider receiving a traffic ticket shortly before he died, TV3	Offensive and unfair	Not Upheld
1997-142	Margaret Mitchell	Promo for Police Stop!, TV3	Editing unfair	Upheld in Part
1997-143	Margaret Mitchell	Police Stop! episode on 24.6.97 showed footage at scene of fatal accident and motorcycle rider receiving a traffic ticket shortly before he died, TV3	Offensive and unfair	Not Upheld
1997-144	Steve Alloway	Broadcast of telephone call with real estate agent, 95bFM	Breach of privacy	Not Upheld
1997-145	Steve Alloway	Broadcast of telephone call with real estate agent, 95bFM	Unfair	Upheld, costs of \$250 to the Crown ordered
1997-146	Robert Green	Timebomb, a documentary on the state of the social welfare system in NZ, TVNZ	Offensive language	Not Upheld
1997-147	Joyce Heijboer Campbell	Air New Zealand Holiday programme on 19.7.97, TVNZ	Inaccurate and unbalanced	Not Upheld
1997-148	W & P Jones	Music video 'The Queen of New Orleans', TVNZ	Offensive and unsuitable for children	Not Upheld
1997-149	Monarchist League of NZ Inc	3 National News comment by presenter on republicanism, TV3	Inaccurate	Not Upheld
1997-150	Graeme Clode	Promos for R18 films, Sky Network Television	Inappropriate during children's viewing time	Not Upheld
1997-151	W G Faber	Holmes, presenter's comments on royal family following interview with Dame Barbara Cartland, TVNZ	Offensive and discriminatory	Not Upheld
1997-152	C B Noble	Holmes, presenter's comments on royal family following interview with Dame Barbara Cartland, TVNZ	Unfair and unbalanced	Not Upheld
1997-153	Minister of Housing (Hon Murray McCully)	3 National News, item concerning state housing rentals, TV3	Unfair and unbalanced	Not Upheld
1997-154	Minister of Housing (Hon Murray McCully)	Holmes item on poor standards of housing for Maori in the North, TVNZ	Unfair and unbalanced	Not Upheld
1997-155	Andrew McPherson	Beavis & Butt-head episode on 7.7.97, TV3	Excessive violence	Not Upheld
1997-156	Ian Ward	Request programme, RNZ	Unfair	Not Upheld

Decision Number	Complainant	Programme	Nature of Complaint	Decision
1997-157	Phillip Newman	Real TV item showing accident during motorcycle race, TV3	Breach of privacy	Not Upheld
1997-158	Phillip Newman	Real TV item showing accident during motorcycle race, TV3	Breach of good taste	Not Upheld
1997-159	CC	Police Stop! item on 27.11.97, TV3	Breach of privacy	Not Upheld
1997-160	NZ Police (Otago District)	20/20 item on the David Bain case, TV3	Unfair and unbalanced	Upheld in part
1997-161	Mr X	Request session, Xtreme 100FM (Hastings)	Breach of privacy	Upheld, compensation of \$250 ordered
1997-162	Mr X	Request session, Xtreme 100FM (Hastings)	Unfair	Upheld, costs of \$250 to Crown ordered
1997-163	R Ian Henry	News bulletins referring to cell phone masts as antennae, RNZ	Inaccurate	Not Upheld
1997-164	Gary Reynolds	Inside NZ: Crown versus Calder, TV3	Breach of privacy	Not Upheld
1997-165	Peter Lord	Rugby Test, 16.8.97, TVNZ	Offensive language	Not Upheld
1997-166	Josh Moore	3 National News item showing woman skiing topless, TV3	Offensive and unsuitable for children	Not Upheld
1997-167	Chris Sorrell	Radio play, 'C'mon Black', RNZ	Offensive language	Not Upheld
1997-168	Robert Terry	One Network News, item on cabinet appointments, TVNZ	Unbalanced	Declined to determine
1997-169	Douglas Jenkin	20/20 item on murder of woman by a man released from prison on bail after earlier charges of rape and kidnapping, TV3	Incorrectly classified, gratuitous violence, detail invited imitation of crime	Not Upheld
1997-170	Douglas Jenkin	Millennium, TVNZ	Incorrectly classified, violent, discriminatory	Not Upheld
1997-171	Phillip Smits	Music Video 'Smokin' Me Out', TVNZ	Offensive and stereotyped women	Not Upheld
1997-172	YH	One Network News item about fire on Ponui Island, TVNZ	Breach of privacy	Not Upheld
1997-173	YH	One Network News item about fire on Ponui Island, TVNZ	Unfair	Not Upheld
1997-174	Monique Barden	Fair Go item on customers' dissatisfaction with kitchen builder, TVNZ	Unfair, inaccurate and unfairly edited	Not Upheld
1997-175	Andrew McPherson	Buffy and the Vampire Slayer, episode on 7.7.97, TV3	Inappropriate for children	Not Upheld
1997-176	Phillip Smits	Ed's Night Party, TV3	Offensive	Not Upheld
1997-177	Gerald Moonen	Sunday discussion on decision of Office of Film and Literature Classification about objectionable photographs, TV3	Discriminatory	Not Upheld
1997-178	Cathy Mickleson	Police Stop! item on illegal drag racing, TV3	Discriminatory	Not Upheld
1997-179	H M Romaniuk	Beyond 2000 and Next Step, previewed as if they were up to the minute, Sky Network Television	Inaccurate	Declined to Determine
1997-180	Robert Terry	One Network News tribute to Princess of Wales, TVNZ	Unbalanced	Declined to determine, complainant ordered to pay costs to TVNZ of \$100
1997-181	Robert Terry	One Network News item on controversy over Judge Beattie, TVNZ	Unbalanced	Declined to determine, complainant ordered to pay costs to TVNZ of \$100

Decision Number	Complainant	Programme	Nature of Complaint	Decision
	Robert Terry	One Network News item on controversy over Judge Beattie, 3.9.97, TVNZ	Unbalanced	Declined to determine, complainant ordered to pay costs of \$100 to TVNZ
	Green Society	Morning Report item on green politics, RNZ	Exercise of Commissions of Inquiry Act powers	Broadcaster ordered to supply material to the Authority
	Green Society	Checkpoint item on green politics, RNZ	Exercise of Commissions of Inquiry Act powers	Broadcaster ordered to supply material to the Authority
	Martin Durham	Jokes about the Princess of Wales, Channel Z	Offensive	Not Upheld
	Maarten Groen	Jokes about the Princess of Wales, Channel Z	Offensive	Not Upheld
	Glenys Barker	Shortland Street episode on 1.9.97, TVNZ	Violent and inappropriate for children	Not Upheld
	Janet Chapman	The Gong Show episode on 13.9.97, TVNZ	Inappropriate for children	Not Upheld
	AGCARM	Rubber Gloves or Green Fingers, documentary on organic farming, TVNZ	Unbalanced	Not Upheld
	The Alliance (Media Director, John Pagani)	This Week in Parliament, edition on 21.6.97, RNZ	Unbalanced, failed to present all viewpoints	Not Upheld
	Ian McLean	Fraser, discussion of health reforms, TVNZ	Unbalanced, did not deal fairly with Minister of Health	Not Upheld
	Wing-Yau Yee	Breakfast show, Radio 198FM	Action taken insufficient	Not Upheld
	Tony Simpson	Morning Report, item on illegal importing of RCD, RNZ	Unbalanced	Not Upheld
	Kristian Harang	One Network News, item on Hero Parade, TVNZ	Offensive	Not Upheld
	Phillip Smits	Assignment, programme about West Auckland included discussion of murder case, TVNZ	Unbalanced and unfair	Not Upheld
98-001	Phillip Smits	Assignment, programme about West Auckland included discussion of murder case, TVNZ	Privacy of child of murder victim was breached	Not Upheld
	Allan Hill	20/20 item about the trial of Gay Oakes and the unsuccessful use of the battered woman syndrome as a defence, TV3	Inaccurate and unbalanced	Not Upheld
	Gladys Gardner	20/20 item about the trial of Gay Oakes and the unsuccessful use of the battered woman syndrome as a defence, TV3	Inaccurate and unbalanced	Not Upheld
98-002	Gladys Gardner	20/20 item about the trial of Gay Oakes and the unsuccessful use of the battered woman syndrome as a defence, TV3	Privacy of victim's family breached	Not Upheld
	H R Corrin	One Network News, item on exhibition at Auckland Museum, TVNZ	Inaccurate and discriminatory	Not Upheld
	Yvonne Lennon	McPhail and Gadsby, episode on 28.10.97, TVNZ	Offensive and sexist	Not Upheld
98-012	David Hay	Promo for Billy T Awards, TVNZ	Action taken insufficient	Not Upheld
98-013	Graham Drake	Breakfast show, 91ZM, TRN	Offensive	Declined to determine

Decision Number	Complainant	Programme	Nature of Complaint	Decision
1998-014	Anne Dingwall	Highwater, reference to bestiality, TVNZ	Offensive	No jurisdiction to determine the complaint
1998-015	Fran Keina	Howoc, Guy Fawkes day party, TVNZ	Glamorising anti-social behaviour	Not Upheld
1998-016	Hugh Barr	Focus on Politics, report on the Ngai Tahu settlement, RNZ	Inaccurate, unfair and unbalanced	Not Upheld
1998-017	Tim Shadbolt	Assignment programme on West Auckland included discussion of Mr Shadbolt's mayoralty, TVNZ	Unbalanced, unfair and inaccurate	Not Upheld
1998-018	Raewyn Clark	20/20 item on Armed Offenders Squad included archival footage of aftermath of Schlaepfer family murders, TV3	Unnecessary intrusion into surviving family member's grief	Not Upheld
1998-019	Ray Mainwaring	The Simpsons, episode on 30.10.97, TVNZ	Offensive language and unsuitable for children	Not Upheld
1998-020	S	Talkback programme on aspects of the Christchurch Civic Creche case, TRN	Breach of complainant's child's privacy	Not Upheld
1998-021	E	Individual abused during request session, Soundwave FM (Napier)	Action taken insufficient	Upheld, costs of \$250 to the Crown ordered
1998-022	E	Individual abused during request session, Soundwave FM (Napier)	Breach of privacy	Upheld, compensation of \$250 to complainant ordered
1998-023	J	Broadcast of obscene phone call, 92.2XS (Palmerston North)	Offensive and unfair to victim	Upheld, costs of \$250 to the Crown ordered
1998-024	J	Broadcast of obscene phone call, 92.2XS (Palmerston North)	Breach of privacy	Upheld, compensation of \$250 to complainant ordered
1998-025	A J Dickson	Inside New Zealand: In Cold Blood, documentary on similarities of mass murders, TV3	Inaccurate	Upheld
1998-026	Philip Dunlop	Inside New Zealand: In Cold Blood, documentary on similarities of mass murders, TV3	Inaccurate	Not Upheld
1998-027	Robin McMillan	Inside New Zealand: In Cold Blood, documentary on similarities of mass murders, TV3	Inaccurate, unbalanced, and discriminatory	Upheld in part
1998-028	Green Society	Morning Report, item on the release of the Labour Party's environmental policy, RNZ	Unbalanced	Not Upheld
1998-029	Green Society	Checkpoint, item on the release of the Labour Party's environmental policy, RNZ	Unbalanced	Not Upheld
1998-030	J	20/20, item on the response by Wellington Free Ambulance to fatal collapse of woman, TV3	Breach of privacy	Not Upheld
1998-031	Gordon McKay	Film, Desperate Remedies, TVNZ	Offensive and unsuitable when children are watching	Not Upheld
1998-032	Ruth Barton	3 National News, item on death of toddler in house fire, TV3	Unnecessary intrusion into grief	Not Upheld
1998-033	Ruth Barton	3 National News, item on death of toddler in house fire, TV3	Breach of privacy	Not Upheld

Decision Number	Complainant	Programme	Nature of Complaint	Decision
1998-034	Mark Eden	60 Minutes, item on the use of animals in research, TVNZ	Unbalanced and unfair	Not Upheld
1998-035	Department of Conservation (Wanganui)	Talkback host's comments about DOC's goat culling programme, Radio Pacific	Inaccurate, unfair, unbalanced and did not respect principles of law	Upheld in part
1998-036	W F Carlin	Talkback host's comments about DOC's goat culling programme, Radio Pacific	Inaccurate, unfair and unbalanced	Upheld in part
1998-037	Manu Caddie	Radio host suggested complainant responsible for bomb scare, Channel Z	Unfair	Upheld
1998-038	Manu Caddie	Radio host suggested complainant responsible for bomb scare, Channel Z	Breach of privacy	Not Upheld
1998-039	C	Police Stop! item showing police arresting woman on drug charges, TV3	Unfair and deceptive editing	Not Upheld
1998-040	C	Police Stop! item showing police arresting woman on drug charges, TV3	Breach of privacy	Not Upheld
1998-041	Maternity Services Consumer Council	Assignment programme on birthing options which examined conduct of midwife in case where baby died, TVNZ	Unfair and unbalanced	Upheld in part
1998-042	Maternity Services Consumer Council	Assignment programme on birthing options which examined conduct of midwife in case where baby died, TVNZ	Breach of privacy	Not Upheld
1998-043	David Hay (Deputy Mayor of Auckland)	City councillors described as morons for opposing funding of Hero Parade in 60 Minutes item, TVNZ	Offensive and discriminatory	Not Upheld
1998-044	M Scott	Checkpoint item on union protest of government policies, RNZ	Inaccurate and unbalanced	Not Upheld
1998-045	South Auckland Muslim Association Inc	Haji Festival described as "barbaric" in an opinion piece, Radio Pacific	Discriminatory, and offensive	Not Upheld
1998-046	Wellington Palestine Group (A Sidani)	Great Train Journeys included map which showed Israel as including the Occupied Territories, TVNZ	Action taken insufficient	Not Upheld
1998-047	P J E Nichols	The Way We Were, episode on 13.1.98 contained reference to the British letting us down in 1941, TVNZ	Inaccurate	Not Upheld
1998-048	Don Carson	"Aspects of Israel" item on fate of money in Swiss banks belonging to Holocaust victims, Wellington Access Radio	Offensive and discriminatory	Not Upheld
1998-049	P	Announcer broadcast himself leaving sexually suggestive message on answerphone, 95bFM	Breach of privacy	Upheld, costs to Crown of \$750 and compensation of \$250 to complainant ordered
1998-050	Robert Terry	One Network News item on ACT Party annual conference, TVNZ	Unbalanced	Declined to Determine
1998-051	Robert Terry	One Network News item on increase in price of crude oil, TVNZ	Unbalanced	Declined to Determine

Decision Number	Complainant	Programme	Nature of Complaint	Decision
1998-052	Robert Terry	One Network News item on high price of groceries in Queenstown, TVNZ	Unbalanced	Declined to Determine
1998-053	Complainant X	20/20 item on re-trial and subsequent acquittal of David Dougherty, TV3	Unbalanced	Not Upheld
1998-054	Linda Taylor-Dean	News item which accused Council employee of sabotage, Coromandel FM	Breach of privacy	Not Upheld
1998-055	Thames Coromandel District Council	News item which accused Council employee of sabotage, Coromandel FM	Inaccurate and unfair, and not corrected speedily	Upheld, costs of \$500 to Crown ordered
1998-056	G P Costello	One Network News item on leasehold properties in Taranaki, TVNZ	Inaccurate and unbalanced	Not Upheld
1998-057	D S Roberts	Great Escapes included footage of difficult mountain rescue, TVNZ	Breach of privacy	Not Upheld
1998-058	Dr Glyn Thomas	One Network News item on exhibit of virgin in condom at Te Papa, TVNZ	Offensive and denigrated Christian beliefs	Not Upheld
1998-059	South Island House Relocators Ltd	Fair Go item featuring experience of three dissatisfied customers, TVNZ	Unfair, inaccurate and unbalanced	Not Upheld
1998-060	NZ Committee for Scientific Investigation of Claims of the Paranormal Inc.	Alien Abduction: Incident in Lake County, TVNZ	Inaccurate and deceptive programme practice	Upheld
1998-061	John Connell	Morning Report, interview about Hero Parade, RNZ	Unbalanced, unfair and unsuitable for children	Not Upheld
1998-062	Kristian Harang	Holmes, item about Hero Parade, TVNZ	Offensive	Upheld
1998-063	Kate & David Turner	Holmes, item about Hero Parade, TVNZ	Offensive & unsuitable for children	Upheld
1998-064	D	News report about charges against a Police Officer, 92.2XS	Breach of privacy	Not Upheld
1998-065	H C Hildreth	Talkback host's comment about Roger Randle, TRN	Breach of privacy	Not Upheld
1998-066	Nick Parfitt	Talkback host's comment about caller, TRN	Offensive	Not Upheld
1998-067	Mark Donnelly on behalf of Eden Park Neighbours Assoc.	Remark during live cricket match about lights at Eden Park, TVNZ	Inaccurate & unbalanced	Not Upheld
1998-068	NZ Police	One Network News, item about missing couple in Marlborough Sounds, TVNZ	Unfair	Not Upheld
1998-069	NZ Police	One Network News, item about missing couple in Marlborough Sounds, TVNZ	Breach of Privacy	Not Upheld
1998-070	Warwick Pascoe	Pulp Comedy, comedians' jokes, TV3	Offensive	Not Upheld
ID 1998-001	Olinda Woodroffe	Talkback on Samoan radio station, Radio 531 PI	Defamatory	Authority unable to consider complaint until defamation action resolved