

The New Zealand Radio Record

—AND—

Electric Home Journal

(Incorporating the "Canterbury Radio Journal.")

P.O. BOX. 1032, WELLINGTON.

Published Weekly. Price 3d. Subscription Post Free in advance, 12s. 6d. per annum; booked, 15s.

Literary communications should be addressed: "The Editor"; business communications to "The Manager"; technical communications to "The Technical Editor."

Advertisers are asked to note that alterations of advertisements should be in hand Friday of each week for insertion in the succeeding issue, printed Tuesday, bearing Friday's date. No responsibility is accepted for blocks remaining unclaimed three months after each insertion.

RADIO PUBLISHING COMPANY OF NEW ZEALAND, LTD.,
P.O. Box 1032, WELLINGTON.

WELLINGTON, FRIDAY, SEPTEMBER 19, 1930.

THE THIN END OF THE WEDGE.

THE meeting in Dunedin on Thursday evening last, convened by "B" station interests, may quite fairly be described as the thin end of the wedge in relation to the institution of advertising on the air in New Zealand. This is a movement which will require the very closest consideration on the part of listeners lest their ultimate interests be deleteriously affected.

AS readers know, over recent years a number of "B" class stations have been established in various cities and provincial centres by local radio interests. Their primary objective unquestionably has been to further their own businesses by the publicity thus acquired on the air, and so increase their sales of radio and gramophone apparatus by attracting listeners to their shopping centres. The licenses which have been granted by the Postal Department to permit of this development have not extended to these stations the right, which was sought in many cases, of acquiring revenue by selling time on the air to other commercial houses. In this the Postal Department has shown its wisdom, and is plainly taking a lesson from the situation which has developed in the United States through the sale of advertising time on the air.

THE position in Dunedin has been brought to a head by an indication that demands for copyright fees would be made upon the "B" class stations by the Australasian Performing Copyright Association. The Radio Broadcasting Company of New Zealand, which is supported by the license fee of listeners, is compelled to pay a proportion of those fees, amounting to several thousands per annum, to the Performing Rights Association in respect of the programmes broadcast by it. It was unthinkable that "B" class stations would be allowed over any period of time to make liberal and indiscriminate use of gramophone records without payment of fees. Sooner or later the Performing Rights Association was bound to assert itself, and it was perhaps long-sighted business wisdom on its part which allowed a number of "B" class stations to invest capital in their enterprises, and institute the habit of broadcasting liberally from gramophone records, before it descended upon them and made its demand. Had this demand been made earlier, doubtless less capital would have been invested. Now "B" class stations are faced with the position that they have assets invested, and have created businesses which they are reluctant to lose. They are, therefore, on the horns of a dilemma. They must either pay or quit, and it was to consider that dilemma that the Dunedin meeting was called. As a matter of fact the copyright position has been dealt with fully in our columns on a number of occasions, commencing from our very first issue, so that full infor-

mation of the position has been available and it is idle to claim this is any new development.

THE resolutions passed by the Dunedin meeting recognised the equity of the demands of the Australasian Performing Rights Association, but resolved that "It is unfair to expect 'B' class stations to provide amusement and also pay copyright fees." They therefore passed a resolution establishing a New Zealand Radio Listeners' League, charged with the aim of making an effort to find some means of assisting "B" class stations to meet the copyright demands and pledging itself to support "B" class stations in their effort to obtain the right to broadcast advertising matter. If the "B" class stations had been established directly at the request of the public and solely from altruistic motives on the part of their proprietors, the desire of the Dunedin meeting would be logical and commendable. It must not be forgotten, however, that the prime motive of the owners of "B" class stations has been their own business advancement. They entered upon the provision of amusement for the public quite gratuitously and as a business speculation on their own part. Now that they are faced with their present dilemma, it is perhaps a little Gilbertian to expect the public to rally to their support and find ways and means of extricating them from a situation whose inevitable development could easily have been foreseen.

SO long as the "B" class stations were content to provide amusement for the public on the terms of their licenses, no objection whatsoever could legitimately lie against them. Listeners naturally took advantage of their generosity and derived pleasure from it. So soon, however, as the basis of the broadcasting system laid down in New Zealand is sought to be affected by the intrusion of a policy of selling advertising time upon the air, we think listeners in general are entitled to closely review the situation. This is not a matter which can be dismissed lightly. Very grave and far-reaching implications are involved. The Government, on the advice of its responsible advisers, who fully investigated the situation, originally laid down the policy of a central broadcasting system to be supported by the fees of listeners. In the contract given to the Radio Broadcasting Company, a limited right was given of selling advertising time. That clause has never been exploited by the Radio Broadcasting Company, because it was judged to be against the interests of listeners and the general policy of the Company in relation to broadcasting in New Zealand. The "Radio Record" believes that that policy has been sound. That belief is based upon American experience. By permitting the sale of advertising time in America a multiplicity of stations has been built up to cater for that trade. This system has been in operation for some years—long enough to permit of the logical development of the factors involved. That development is seen to be that advertising time is monopolised by a group of the more powerful corporations in the United States, and that listeners' interests play second fiddle to commercialism. The plutocracy of capital is at work. The cost of going on the air from a chain of stations is so great that minor business interests cannot afford the price demanded. If New Zealand embarked upon this policy that course would follow here. Powerful American interests would dominate our air to the disadvantage of listeners and local businesses. Money would talk as it always does, and we would become subservient to plutocratic dominance.

THE question now primarily is: "Is advertising on the air to be allowed at all?"—Yes or no? We sincerely believe that the right answer to that question is "No." In the first place it is against British temperament. We do not wish our homes to be invaded by advertising. In our hours of relaxation we seek amusement and entertainment. We do not wish to be followed by the insidious lure of toothpaste or the thrilling cacophony of costumiers. Listeners have shown their capacity through their fees to support an adequate broadcasting service in New Zealand. The inception of general advertising on the air in our opinion would be an invasion of the rights of listeners, and would be met with strong antagonism by both Press and public throughout the Dominion. The position in which the "B" class stations find themselves commands our sympathy, but we cannot allow that sympathy to obscure the main issues in which the interests of listeners are so deeply involved. In plain language, the "B" class stations established themselves with their eyes open to future possibilities, and they must face the issues themselves.