

Economic Development, Science and Innovation Committee Komiti Whiriwhiri Take Whanaketanga Ōhanga, Take Pūtaiao, Take Atamaitanga

54th Parliament May 2025

# **Broadcasting (Repeal of Advertising Restrictions) Amendment Bill**

111—1

### BROADCASTING (REPEAL OF ADVERTISING RESTRICTIONS) AMENDMENT BILL

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# **Broadcasting (Repeal of Advertising Restrictions) Amendment Bill**

#### Recommendation

The Economic Development, Science and Innovation Committee has examined the Broadcasting (Repeal of Advertising Restrictions) Amendment Bill and recommends that the bill proceed without amendment.

#### Introduction

The Broadcasting (Repeal of Advertising Restrictions) Amendment Bill would repeal section 81 of the Broadcasting Act 1989. Section 81 restricts broadcast television advertising on Sunday and Anzac Day between 6am and noon. It also restricts both television and radio broadcast advertising on Christmas Day, Good Friday, and Easter Sunday. It applies only to traditional linear television and radio broadcasting.

Since section 81 was introduced in 1989, technology has changed, and fewer people engage with content through traditional linear formats. Instead, New Zealanders use ondemand and streaming services that are not subject to the section 81 restrictions.

By repealing section 81, the bill aims to remove the distinction between different media platforms. In doing so it would help modernise the Broadcasting Act and allow New Zealand media companies to realise additional advertising revenue.

# Legislative scrutiny

As part of our consideration of the bill, we have examined its consistency with principles of legislative quality. We have no issues regarding the legislation's design to bring to the attention of the House.

#### Submissions received on the bill

We received 41 submissions and heard oral evidence from 6 submitters. A full summary of submissions, along with comments from our advisers, is available in the departmental report on the bill, published on the Parliament website. We thank submitters for sharing their views on the bill. Below we summarise some of the main themes from submissions.

#### Support for broadcasters

Some submitters said that the Government does not sufficiently support the media sector. Of these submitters, some said that the bill is a good start but would not do enough to support the wider media sector. Others suggested that the bill should not proceed, and that the Government should instead focus on other legislation such as the Fair Digital News Bargaining Bill.

Some submitters said that the bill would help level the playing field with international video streamers. Others disagreed, saying that the proposed repeal of section 81 would not sufficiently help media companies.

Submitters commented that the estimated \$6 million increase in advertising revenue that the bill could enable is relatively small, yet helpful in the current economic climate. Other submitters were sceptical of that revenue estimate. Submitters suggested that the bill is justified in seeking to make advertising fairer for local companies that compete in the advertising market.

#### The relevance of section 81

Some submitters consider that section 81 is outdated and anachronistic. We note that the current advertising restrictions pre-date the emergence of Sunday retail trading. The proposed repeal of section 81 would complement the Shop Trading Hours Amendment Act 2016 and other amendments that have enabled fewer restrictions for businesses on specified days.

Some submitters argued that advertising-free times are beneficial for New Zealand, and expressed concern that the repeal of section 81 would increase advertising. Submitters were also concerned that removing advertising restrictions on days like Anzac Day, Easter, and Christmas would disrespect the purpose of those days. Other submitters do not support exceptions being made for these days and said that the Government should work to separate church and state.

Some submitters called for the implementation of further restrictions on advertising. They said that section 81 could be expanded to restrict advertising on all platforms that audiences use on public holidays. We consider that the scale of the public's media consumption, and the limits to New Zealand's legal jurisdiction, would make this unfeasible.

Submitters also argued for a partial repeal of section 81, while retaining restrictions on certain days like Anzac Day and Christmas Day. We consider that the financial benefit to local media companies produced by a partial repeal would be outweighed by the costs of processing and implementing the law change.

## **Appendix**

#### Committee procedure

The Broadcasting (Repeal of Advertising Restrictions) Amendment Bill was referred to the Economic Development, Science and Innovation Committee on 18 December 2024. We called for submissions with a closing date of 7 February 2025. We received and considered written submissions from 41 interested groups and individuals and heard oral evidence from 6 submitters on 20 February and 6 March 2025.

We received advice on the bill from the Ministry for Culture and Heritage. The Office of the Clerk provided advice on the bill's legislative quality. The Parliamentary Counsel Office was available to assist with legal drafting.

#### **Committee members**

Dr Parmjeet Parmar (Chairperson)

Dan Bidois (until 29 January 2025)

Dr Hamish Campbell (from 29 January 2025)

Reuben Davidson

Hon Peeni Henare (from 12 March 2025)

Hon Willie Jackson (until 12 March 2025)

Cushla Tangaere-Manuel (from 12 March 2025)

Tanya Unkovich

Dr Vanessa Weenink

Helen White (until 12 March 2025)

Scott Willis

Steve Abel, Cameron Brewer, Greg Fleming, Rt Hon Adrian Rurawhe, Hon Jenny Salesa, and Lemauga Lydia Sosene participated in our hearings for this bill.

#### **Related resources**

The documents that we received as advice and evidence are available on the <u>Parliament website</u>, as well as the recordings of our hearings with submitters on <u>20 February 2025</u> and <u>6 March 2025</u>.