

We do see however an effect brought about by the loss of the proposed frequency 603 kHz which has for some years been, in policy terms, reserved for a possible use for a Polynesian/ethnic broadcasting.

The needs of New Zealand or the locality or localities proposed to be served, in respect of broadcasting services

We received many representations and saw extensive written submissions in support of the services for each of the localities.

As mentioned elsewhere there is a claim of lower listening by people who would be attracted to *Radio Rhema* since their lower listening was caused by the unsatisfactory nature of existing services as far as they were concerned. It is clear that *Radio Rhema* in these markets would tend to appeal to an older audience and sometimes children, but would not readily attract an audience of young people.

In each of the localities there is no comparable service.

There seemed to be little attempt by the applicant to provide a service to the ethnic minorities in any of the areas proposed to be served. The programming statements of a multi-cultural nature are unconvincing.

There is a group of people who undoubtedly see a need for a station that presents the *Good News*, but on proven performance the audience is in fact a fairly small one. Over a number of years *Radio Rhema* has not been able to substantially change its audience share in Christchurch where it has its deepest roots and major support. It is unlikely that its grasp of audience in the northern area will be better and it is in fact likely to be slightly less.

However, a service should not necessarily be condemned for appealing only to a minority.

Various figures were produced to us for membership of *Radio Rhema*. The total for the region was 9,400, plus 1,045 associate supporters and 207 friends of *Radio Rhema*. It should be borne in mind that membership is sought by a sophisticated and very persistent public relations campaign directed particularly at churches and church oriented groups. Membership of 711 in the 40,000 population of Whangarei does not show a groundswell of support but 1,276 members in Hamilton have produced \$31,000 of donations. This indicates a significant number of people who are prepared to put their money behind the proposal but that beyond them support is meagre.

The needs which could be satisfied may not necessarily be best satisfied by an applicant who would, as a result of this grant, command a dominating position in Christian broadcasting in the future.

The financial and commercial ability of the applicant to carry on the proposed service

Accounts were produced to us that bore out our previous knowledge and experience of this applicant. *Radio Rhema* has the ability to command a steady cash flow and it has the organisation to sustain it. It relies totally on subscriptions, donations and gifts of goods and services.

Proposed extensions would be considerable and one of the reasons stated for AM propagation rather than FM was the lower cost involved in establishing and maintaining AM transmitters which the station largely has the capability of doing from within its own resources.

It is clear that once the station was on the air it would improve its cash flow.

There have been no criticisms made of the financial or management ability other than those which were raised by Mr Thomson for the Corporation.

His concern arose from statements made by Mr Berry and his executive that they determined *Radio Rhema's* direction and policy by their interpretation of God's will which was to be obeyed regardless of a members' "own intellects".

Mr Thomson quotes Mr K. S. Clarke's evidence that, "If the executive said God wanted something to go a particular way, I would follow this."

He also raised the question of references to "Satanists" referred to earlier.

However, no situation was referred to in which any management decisions had been made which could be criticised because they were not reasonable and we have not given any weight to this criticism.

(f) The likelihood of the applicant carrying on the proposed service satisfactorily

In evidence Miss Wakem had stated that the reason *Radio Rhema's* programmes had not been taken by *Radio New Zealand* was that the standard of the particular programmes was not high enough. We did not treat this comment as making or, indeed, attempting to make a case against the application on the basis that the standards of programming proposed in it are short of that required for the holding of a warrant.

The local origination hours are not long to begin with but no doubt there will be sufficient incentive for the station to increase the hours of local origination. The applicant has its own technical staff.

Apart from our expressed reservations which relate principally to the non-broadcast activities of *Radio Rhema*, there is no reason to expect that the service would not be carried on satisfactorily.

When the warrant for 3XG was renewed we commended the station on adhering to its promises. This is not the case with some commercial operators and therefore it can be said with some assurance that it is likely the applicant would carry on the service satisfactorily.

It is however true that the management has stayed in the same hands. Should there be any change in the control or management of *Radio Rhema* we cannot be so assured. But this is so of every applicant.

(g) The results of any survey available to the Tribunal

The results of a survey conducted in Auckland by Market Research N.Z. Ltd. were given to the Tribunal. The primary findings were that 12 percent of those interviewed claimed to have listened to *Radio Rhema* during its limited broadcast exposure in Auckland and that listeners were distributed across both sexes and all age groups, although weighted towards women and persons aged 45 years and over.

Levels of favourable reaction to the amount of music in the programme, the manner and style of announcers and the coverage of items of spiritual interest were generally higher for *Radio Rhema* than for other Auckland stations and listeners' feelings after hearing *Radio Rhema* were generally reported to be substantially better than were the feelings of those listening to other stations.

Proportionately more listeners to *Radio Rhema* indicated they would be disappointed not to be able to hear further broadcasts from that station than was true of any other stations' audience.

Most significantly of all, one in three of all persons interviewed, including more non-listeners than listeners to *Radio Rhema*, and more of those who did not go to church than of those who did, claimed to recognise a particular need for *Radio Rhema* to be permitted to broadcast in Auckland. Only 7 percent denied such a need existed.

The main need was seen to be a religious or spiritual one and this applied to churchgoers and non-churchgoers.

A straw poll survey showed that 26 percent of *Radio Rhema* listeners currently rarely listened to the radio. We did not give much weight to this as an indication of where audience would come from.

Dr N. G. Grenfell compared the Auckland survey with one that was conducted in Wellington before broadcasting started there. The Auckland survey showed a slightly higher proportion who said there was a need for *Radio Rhema*.

He said that *Radio Rhema* would draw its audience from primarily new listeners and listeners to non-commercial rather than commercial stations. The objectors suggest the contrary.

The information produced by Mr O'Neill, an expert witness called by *Radio I*, was that the listening habits of *Radio Rhema* listeners in Wellington suggest that they are more attuned to 2YA and 2YC than to commercial stations when compared to radio listeners generally.

It was submitted for the applicant that primary sources of listeners would be new listeners and listeners to non-commercial stations. The Tribunal did not accept that there would necessarily be a growth in new radio listeners. This had not proved generally to be the case when new services had been introduced previously in New Zealand.

(h) The requirement that frequencies be best utilised in the public interest.

Radio Rhema applied for the use of the frequency 603 kHz which has been allocated to Auckland and Bay of Plenty in the Geneva Plan. The applicant has pointed out that the application was lodged in 1981, that the Post Office had no objection and that it was an economical use of frequencies to have co-channel use.

Mr Anastasiou pointed out that the alternative use proposed by the BCNZ for a Polynesian/ethnic/access programme was contingent on 1ZM going to FM. Mr Gatland for the BCNZ pointed out that FM would give greater coverage in rural areas. *Radio Rhema's* case was that the proposed use of the frequency was an effective and efficient use of it and would provide a broad coverage over a wide area for which there was a clear and demonstrated need.