

Local 2005

New Zealand Television

Content

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Chairman's introduction

The promotion of New Zealand culture and identity through broadcasting is at the core of NZ On Air's legislation, and has been our mission from the very start. In television, this means we are responsible for funding a diverse range of local programmes, as well as championing the importance of local content on our televisions.

Public interest local broadcasting - as a subset of local content in general - is of particular importance to NZ On Air. In recent years, the mechanisms for this have increased, with TVNZ operating under its Charter and the Maori Television Service (MTS) now well established. However, the challenge for the digital future will be to ensure that a diverse range of local programming remains accessible to the New Zealand viewing public, wherever they are watching.

Since 1990 NZ On Air has conducted an annual survey of the local content appearing on our television screens. This report has grown and changed over the years, but its single-minded focus remains the same: the level and make-up of local content programming on free-to-air television networks. Of course, the number of channels has increased over the years, and this is being reflected in the content of this report, with Prime TV being added for the first time this year.

The Television Local Content Group has agreed that NZ On Air's Local Content Report will be the central document to provide a tool for setting targets and measuring results. The Group was set up in 2003 to establish and monitor appropriate voluntary targets for local content. The Group comprises TVNZ, TV3, Prime Television and representatives of SPADA and NZ On Air. Part way through 2005 (the year this report surveys), the Maori Television Service joined the group.

For 2005, the Television Local Content Group committed to the following local content baselines for transmission between the hours of 6am and midnight.

TV One	55%
TV2	23%
TV3	20%
Prime TV	5.5%

The results for all channels were very close to these targets. It's worth noting that the targets were the highest they have ever been for TV One and TV2 (up from 2004 targets of 52% for TV One and 19% for TV2) and, as shown in this report, TV2 met its target and TV One narrowly missed. TV3 and Prime TV both exceeded their targets.

TV One screened 54% local content

TV2 screened 23.1%

TV3 screened 21%

Prime TV screened 8.7%

Prime Television is included in this report for the first time. The result is an increase in overall local content hours, but (because of Prime's comparatively low level of local content) a reduction in the *proportion* of local content to total hours. So in 2005, the total hours of local content across the four main free-to-air channels increased by 603 to 7026. Local content made up 26.7% of the four channels' 6am to midnight schedules (compared with 32.6% in 2004, across three channels).

Excluding Prime TV, the figure for the three channels is 32.7%, just above the result for 2004. Pleasingly, hours of local content in prime time increased, even when we exclude the Prime contribution from the totals.

As the range of outlets for local content increases we will see the figures alter even more. Next year, local content hours on both Maori Television and C4 will be incorporated into the main body of the report. Additional information outlining the type of local content available through services such as Sky Television and the regional channels will continue to be included at the end of the report.

While this report is primarily quantitative, the examination of trends by genre provides a qualitative view, in terms of measuring the diversity of local content, trends in the proportion of total investment by genre and placement in the television schedule.

In 2005 documentary hours increased by 122 with first-run hours up on all channels. *The NZ On Air Public Information and Opinion Monitor* has repeatedly shown that documentaries are a favourite with the New Zealand audience and are the most frequently watched programmes so this is a pleasing result.

The introduction of current affairs programming to TV3's line-up at 7.00pm, as well as the addition of Prime TV's news and current affairs hours, has had a significant impact on the hours recorded for the current affairs genre in 2005 - with an increase of 395 hours to reach an all time high of 2555 hours. There was also a sizeable increase in entertainment hours in 2005, with the audience appetite for shows such as *Dancing With The Stars* and *NZ Idol* being reflected in programming decisions.

Other genres have more fragility and are more influenced by market factors, such as increasing production costs and - in the case of local drama - a hiatus in commissioning in 2004. Given this, the result for local drama hours in 2005 is encouraging, as it remained steady (without the inclusion of Prime TV's figures). We can expect an improvement in the next survey, as more local drama was commissioned in 2005 and is expected to screen in 2006.

The level of local content funded by NZ On Air as a proportion of total local content is something we have measured since we began this survey sixteen years ago. In 2005 this declined to 18% - from 23% in 2004. This decline reflects a number of factors: the inclusion of Prime TV's hours (generally not funded by NZ On Air until recently); the significant increase in news and current affairs hours, which do not receive NZ On Air funding; the increased commissioning of local content fully funded by TVNZ; and increased production costs.

As the broadcasting environment changes and NZ On Air places more emphasis on quality public interest programming, this is likely to further impact the proportion of local content we fund.

Local content will always be a fragile commodity in a market the size of New Zealand's - affected by economic cycles, advertising trends and technological and policy change. The challenge is to ensure that the faces and voices of New Zealand are seen and heard, through public interest programming and across the proliferation of new platforms that digital broadcasting is likely to deliver. This challenge remains central to NZ On Air's mission, and we embrace it.

Don Hunn

Chair

NZ On Air

Special note

This report includes Prime TV local content figures for the first time.

Except where otherwise noted, the figures for this year will therefore cover all channels surveyed (TV One, TV2, TV3 and Prime).

In some instances, we have recorded the 2005 hours *excluding* the Prime hours. Where we have done this, we indicate it clearly. We have done this where it is important to provide a meaningful comparison to the previous year (in which Prime was not included).

Overview

- The addition of Prime to the survey means that local content in 2005 increased by 603 hours (to 7026), compared with 2004 figures.
- Excluding Prime TV, local content remained relatively stable, with 6455 hours of local content on TV One, TV2 and TV3 (compared with 6423 in 2004).
- These hours mean that local content accounted for 32.7% of the 6am to midnight broadcast hours in 2005 (excluding Prime), compared with 32.6% in 2004. When you include Prime, local content as a percentage of total broadcast hours from 6am to midnight falls to 26.7%.
- Prime time local content increased in 2005: from 1860 hours in 2004 to 1937 in 2005 (excluding Prime). Including Prime, the total prime time local content hours in 2005 topped the 2000 milestone, and reached 2070.
- Total first-run local content hours declined slightly in 2005 (excluding Prime), from 5231 in 2004 to 5184. Adding in Prime, the total first-run local content on New Zealand screens reached 5684.
- TV One screened 54% local content for the hours 6am to midnight, compared with 51.6% in 2004. This brings TV One's average hours of local content in this time period over the three years from 2003-2005 to 53.4%.
- TV2 screened 23.1% local content for the hours 6am to midnight, compared with 24.3% in 2004. This gives TV2 an average of 23.9% local content for this time period, for the three years from 2003-2005.
- TV3 screened 21% local content for the hours 6am to midnight, compared with 21.6% in 2004. TV3's three year average for local content in this timeslot is 21%.
- Prime TV, included for the first time, screened 8.7% local content for the hours 6am to midnight.

Main variations (2005 vs. 2004)

- Increases in local content hours in 2005 were:
 - Documentary hours increased by 122 with increases across all channels - particularly in TV One prime time and TV2 repeats. Prime TV contributed 17 hours of documentary programming to this total.

- Entertainment programming increased by 162 hours with increases across all channels especially TV One and TV2 prime time. Prime TV contributed 3 hours of entertainment programming to this total.
- News and Current Affairs hours were up by 395, largely due to the impact of including Prime TV in the survey. Prime screened 305 hours of news and current affairs programming in 2005. TV One and TV3 showed increases of 117 and 85 hours respectively and TV2 a decrease of 112 hours.
- Decreases in total hours in 2005 were in the following areas:
 - Children's hours fell by 38 across both TV2 and TV3, largely due to a reduction in repeat hours on both TV2 and TV3.
 - Children's drama hours fell by 10, attributable to a decline on TV3.
 - Information programming hours fell by 47, declining across TV One, TV2 and TV3.
 - Maori programming also showed a decrease of 10 hours with an increase in hours on TV3 offsetting a decrease on TV2 due to the reduced duration of Mai Time.
 - Sports local content hours decreased on TV One (by 94 hours), TV2 (by 13 hours) and TV3 (by 153 hours). These decreases were offset by the inclusion in the survey this year of Prime TV hours (222).

Channel Output

- As a percentage of their 6 am to midnight broadcast hours, channel output was as follows:
 - TV One screened 44% total first-run local content (42.5% in 2004)
 - TV2 screened 15% total first-run local content (17.9% in 2004)
 - TV3 screened 20% total first-run local content (18.9% in 2004)
 - Prime TV screened 8% total first-run local content.
- As a percentage of their total prime time hours (6pm-10pm):
 - TV One screened 61% local content (58.8% in 2004)
 - TV2 screened 26% local content (29.6% in 2004)
 - TV3 screened 46% local content (38.6% in 2004)
 - Prime TV screened 9% local content

NZ On Air's contribution

- NZ On Air contributed funding to 18% of the total New Zealand hours in 2005, a decline when compared to 2004 (23.3%).
- The proportional reduction in NZ On Air's contribution is largely attributable to the inclusion of Prime TV. When you exclude Prime TV from the figures (to provide a true comparison with 2004), NZ On Air's contribution is 19.4%
- Other factors impacting on the proportional decrease in NZ On Air's contribution include the increased news and current affairs hours, which do not receive NZ On Air funding, the introduction of fully-funded local content under TVNZ's charter, and the increase in production costs, particularly in the genres NZ On Air funds.

More Channels; More Local Content

In 1998, New Zealand had just two television channels. Since then, we have moved to a broadcasting environment that now sees five national free-to-air channels sitting alongside a Pay TV offering of over 80 channels from Sky TV, independent free-to-air regional broadcasters the length and breadth of the country as well as the Maori Television Service - launched in March 2004.

This means there are more channels for New Zealanders to watch, and, as the inclusion of Prime TV in this survey shows, it also means more total local content available to New Zealanders across the channels.

These changes impact on how we are surveying and reporting on levels of local content on New Zealand television screens.

NZ On Air has measured and reported the hours of local content on New Zealand's three nationwide channels (TV One, TV2 and TV3) since 1990, through this Local Content Report. This year for the first time, this report also includes figures for Prime TV. Next year local content hours for Maori Television and C4 will also be incorporated into the main body of the report.

NZ On Air's Local Content report has now become a core resource for the Local Content Group, a group which was formed in 2003, with the aim of establishing and monitoring appropriate voluntary quotas for local content. The Local Content Group is made up of TVNZ, TV3, Prime TV, and representatives of SPADA and NZ On Air. The Maori Television Service joined the Group midway through 2005.

The report, as well as looking at nine distinct genres which NZ On Air has considered since it established the report, now also reflects the four main genre groupings that are the focus of the Local Content Group - Drama and Comedy (including Children's Drama); Children's; Documentary, Information and Entertainment; News and Current Affairs and Sport.

Local content is measured in terms of the 18-hour period from 6am - midnight. This is the standard international approach for measuring local content levels, and allows us to make meaningful comparisons with other countries, most notably Australia where all commercial broadcasters are required to meet a local content quota of 55% across the 6am to midnight schedule.

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2005 Results - Total Hours

The addition of Prime TV to the survey means that measured local content in 2005 increased by 603 hours compared with 2004 figures.

Excluding Prime TV, local content still increased marginally, with 6455 hours of local content on TV One, TV2 and TV3, compared with 6423 on the three channels in 2004.

These hours mean that local content accounted for 32.7% of the 6am to midnight broadcast hours in 2005 (excluding Prime), compared with 32.6% in 2004. When you include Prime, local content as a percentage of total broadcast hours from 6am to midnight falls to 26.7%.

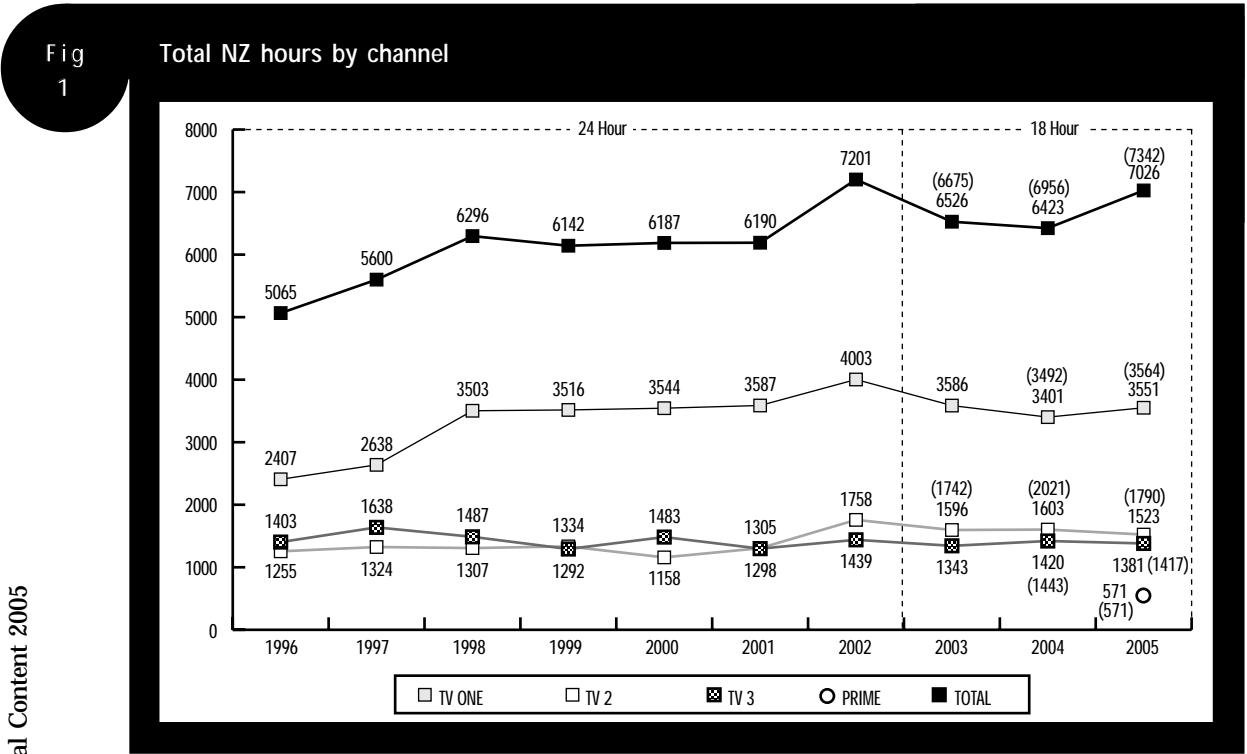
Total local content hours increased on TV One, however local content hours for both TV2 and TV3 decreased. The most notable variances in total hours by genre were in Information, Children's and Children's Drama programming.

TV One

- Total local content hours increased by 150 to reach 3551 hours.
- Local content comprised 54% of the 6am - midnight schedule (51.6% in 2004).
- Continued to screen more than double the local content hours of both TV2 and TV3.
- Hours increased or remained consistent across all genres with the exception of Sport, which declined by 95 hours.

TV2

- Total local content hours were 1523, a decrease of 80 hours.
- Local content comprised 23.1% of the 6am - midnight schedule (24.3% in 2004).
- Greatest decreases in local content hours were in News and Current Affairs (112) and Maori (25) with smaller decreases in Children's, Drama/Comedy, Sports and Information programming.
- Hours increased in Documentary and Entertainment programming.



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TV3

- Total local content hours were 1381, 39 hours fewer than 2004.
- Local content comprised 21% of the 6am - midnight schedule (21.6% in 2003).
- Hours increased in Entertainment (70), News and Current Affairs (86), Maori (16) and Documentary programming (5).
- The most significant decreases in hours were in Sports (153) and Children's programming (37).

Prime TV

- Total local content hours were 571.
- Local content comprised 8.7% of the 6am - midnight schedule.
- Highest hours were in News and Current Affairs (304) and Sports (222).

NZ On Air's contribution

- When you exclude Prime TV hours, NZ On Air contributed funding to 19.4% of local content programming on TV One, TV2 and TV3 in 2005, a decline when compared to 2004 (23.3%).
- Including the Prime TV hours, NZ On Air's contribution to the local content total becomes 18% in 2005.
- The decline is attributable to increased news and current affairs hours, which are not funded by NZ On Air; an increase in fully-funded local content on TVNZ (under the charter); and an increase in production costs.

Figure 2 sets out total hours of New Zealand programming by genre from 1994 to 2005 (comprising first-run and repeats across all four channels). Comments on specific genre variations between years are made in section 8.

Fig
2

Total NZ Hours By Genre 1996 - 2005

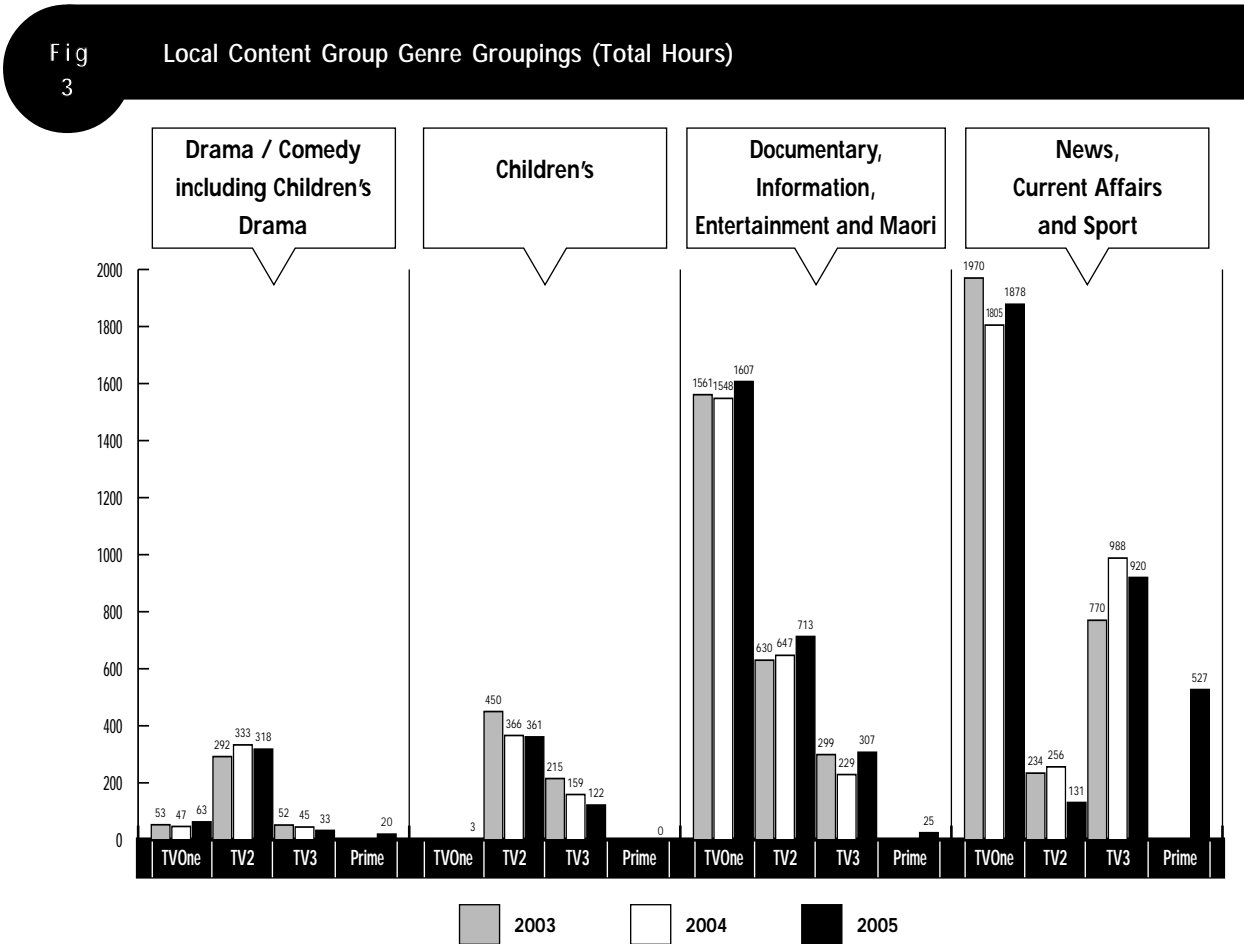
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	
Drama/Comedy	357	336	406	364	386	363	447	372	401	420	
Children's drama	12	0	13	9	6	14.5	0	24	24	14	
Children's	783	806	600	620	591	488	583	664	524	486	
Documentaries	252	269	334	331	242	260	349	355	414	536	
Information	867	1147	1485	1191	1041	1272	1322	1232	1076	1029	
Entertainment	302	482	453	496	433	532	703	532	578	740	
Maori	218	256	255	287	371	396	387	363	356	346	
News/Current Affairs	1198	1440	1751	1835	1876	2073	2111	2058	2160	2555	
Sports	1077	865	999	1010	1239	791	1299	926	889	901	
Total NZ Content	5066	5601	6296	6143	6185	6190	7201	6526	6423	7026	
% of Schedule	19.2%	21.3%	24%	23.4%	23.5%	23.6%	27.4%	33%	32.6%	26.7%	
Total Prime Time	1586	1636	1647	1686	1602	1629	1732	1841	1860	2070	
% of Schedule	36.3%	37.5%	37.6%	38.5%	36.5%	37.2%	39.5%	42%	42.3%	35.4%	
	24 hour clock							18 hour clock			

- Notes:
1. These hours are for TVOne, TV2, TV3 and Prime only
 2. Figures have been rounded
 3. Prime time hours for all four channels are calculated as 5840 in total

The Local Content Group measures progress against four genre groups. These are:

- Drama/Comedy (including Children's Drama)
- Children's
- Documentary, Information and Entertainment and Maori
- News, Current Affairs and Sports

The graph below (figure 3) shows **total hours** for 2005 for the hours 6am to midnight by these genre groupings.



First-run Hours

First-run hours are an important local content indicator because their levels directly reflect the amount of new investment in local programmes. First-run hours include both prime time (peak) and off-peak programming.

A straight comparison with 2004 shows that in 2005 first-run local content decreased across TV One, TV2 and TV3. First-run hours in 2005 (excluding Prime TV) were 5198, compared with 5231 in 2004. Prime TV's first-run hours of 500 bring the total for 2005 to 5698 hours.

Changes to note in 2005 include:

- Drama/Comedy hours increased by 55 hours, in part because of Prime TV's hours (20) but also due to an increase of 24 (first-run) hours in this genre on TV3
- Children's Drama again maintained its presence with 13 hours of first-run programming.
- First-run Children's hours increased by 75 hours.
- Documentary hours increased by 86, to reach 313 hours in 2005. All channels increased their first-run hours for this genre, particularly TV One and TV3 in prime time.
- Information hours declined by 151 hours with the most significant decline in off-peak programming on TV2.
- Again there was growth in entertainment hours with a total increase of 159 hours to reach 629 hours. The greatest increase was on TV3 and is largely attributable to music programming.
- First-run Maori programmes decreased by 9 hours, mostly attributable to a decrease of 20 hours in Maori programming on TV2, but offset by an increase of 10 hours on TV3.
- Compared with 2004, total first-run News coverage (excluding Prime TV) decreased marginally from 2073 to 2058. A significant reduction on TV2 was offset by increases on both TV One and TV3. The inclusion of Prime TV's hours (304) brings the new total for first-run hours in this genre to 2362.
- NZ On Air's contribution to first-run hours on TV One, TV2 and TV3 in 2005 was 15.6% of the total, a decrease compared to 2004 (17.8%). When you include Prime TV figures, NZ On Air contributed funding to 14.9% of first-run hours in 2005.

Fig
4

First Run Hours (Peak And Offpeak) For All Three Channels

		Drama/ Comedy	Children's	Children's Drama	Doco.	Inform- ation	Entertain- ment	Maori	News, CA	Sport	Total
18 Hour	2005	230	371	13	313	715	629	228	2362	838	5698
	2004	175	296	13	227	866	470	237	2073	874	5231
	2003	217	398	13	190	920	419	231	1945	838	5171
24 Hour	2002	247	314	0	164	963	604	287	2013	1157	5748
	2001	205	308	7	197	990	391	295	1992	766	5151
	2000	181	308		168	892	313	256	1876	1188	5182

As a percentage of their 6am-midnight broadcast hours:

- TV One screened 44% first-run local content (42.5% in 2004)
- TV2 screened 15% first-run local content (17.9% in 2004)
- TV3 screened 20% first-run local content (18.9% in 2004)
- Prime TV screened 8% first-run local content

Excluding News and Current Affairs:

- TV One screened 21.6% first-run local content
- TV2 screened 15% first-run local content
- TV3 screened 10.3% first-run local content
- Prime TV screened 3.6% first-run local content

Genre first-run hours per channel are set out in Fig 5. below.

Fig 5 First Run Hours (Peak And Offpeak) By Channel

	TV ONE	Drama/Comedy	Children's Drama	Children's	Doco.	Information	Entertainment	Maori	News, CA	Sport	Total
18	2005	23	0	3	197	593	193	155	1465	258	2887
	2004	22	0	0	147	618	147	154	1409	308 (376)	2805
	2003	34	0	0	116	649	76	154	1344	459	2832
24	2002	35	0	0	87	685	54	190	1439	750	3240
	2001	21	0	0	103	832	70	182	1142	423	3071
	2000	5	0	0	91	793	77	163	1347	759	3235
	1999	25	0	0	121	670	74	144	1324	758	3116
	1998	14		0	132	676	65	140	1328	751	3106
	1997	24		8	108	438	60	146	1002	562	2349
	1996	20		1	121	249	46	122	757	748	2064
	TV2										
18	2005	159	13	250	62	81	329	23	12	83	1012
	2004	149	9	213	56	173	294	42	124	122	1182
	2003	157	7	263	45	185	291	44	65 (66)	152 (156)	1206
24	2002	153		250	33	189	506	47	19	69	1267
	2001	157	1	294	56	61	291	47	8	21	934
	2000	167		271	37	43	205	47	11	20	801
	1999	145		255	48	30	290	48	4	71	889
	1998	144	13	210	28	25	182	40	0	36	665
	1997	119		198	20	281	125	34	18	121	916
	1996	136		209	9	378	75	44	0	102	953
	TV 3										
18	2005	28	0	118	45	36	103	51	625	295	1300
	2004	4	4	83	24	75	29	41	540	444	1244
	2003	26	7	136	30	87	52	34	536	227	1135
24	2002	59		64	45	89	45	59	556	338	1242
	2001	28	7	14	38	98	30	67	542	322	1145
	2000	10		37	40	57	31	47	518	409	1149
	1999	10		43	61	43	55	3	507	103	825
	1998	23		132	73	28	67	0	421	158	902
	1997	28		162	60	52	45	0	418	181	946
	1996	44		193	57	89	33	0	429	205	1050
	PRIME										
18	2005	20	0	0	10	5	3	0	260	203	500

Where a significant difference occurs between 18 hour and 24 hour figures, the 24 hour figure is included in parentheses () beside the 18 hour figure.

Details on first-run local content for each channel follows:

TVOne

- First-run local content was 2887 hours, an increase of 82 hours.
- First-run documentary hours increased by 50 to reach 197 due to a number of new series screening in prime time.
- First-run entertainment hours increased by 46 and first-run news & current affairs hours were up by 56.
- First-run sports coverage declined by 50 hours and first-run information hours declined by 24.

TV2

- First-run local content continued to decline with an overall decrease of 170 hours to reach 1012 hours.
- Documentary and children's drama hours showed small increases.
- First-run children's hours increased by 41 hours.
- Maori hours showed a small decline of 19 hours.
- News and current affairs declined by 112 hours due to the cancellation of Flipside.
- First-run sports coverage declined by 39 hours.
- Again, TV2 stayed well ahead of the other channels in drama/comedy with 159 first-run hours - largely attributable to the long-running soap Shortland Street.
- Information hours declined by 92. This decrease is entirely in off-peak information programming.
- First-run entertainment hours increased by 35 to reach a total of 329 hours.

TV3

- First-run local content increased by 56 hours to reach 1300. This is the highest level ever for this channel.
- There was an increase of 32 hours in first-run children's programmes.
- First-run news and current affairs hours increased by 85, largely due to the introduction of Campbell Live.
- First-run sports hours declined by 149 due to the loss of the Cricket.
- First-run drama and comedy programming increased by 24 hours, predominantly in prime time.
- Information programming declined by 39 hours.
- Documentary increased by 21 hours to reach a total of 45 hours.
- First-run entertainment hours increased by 74 to reach 103 hours.
- Children's drama hours declined by 4 hours.
- Maori programming again increased - up 10 hours to 51.

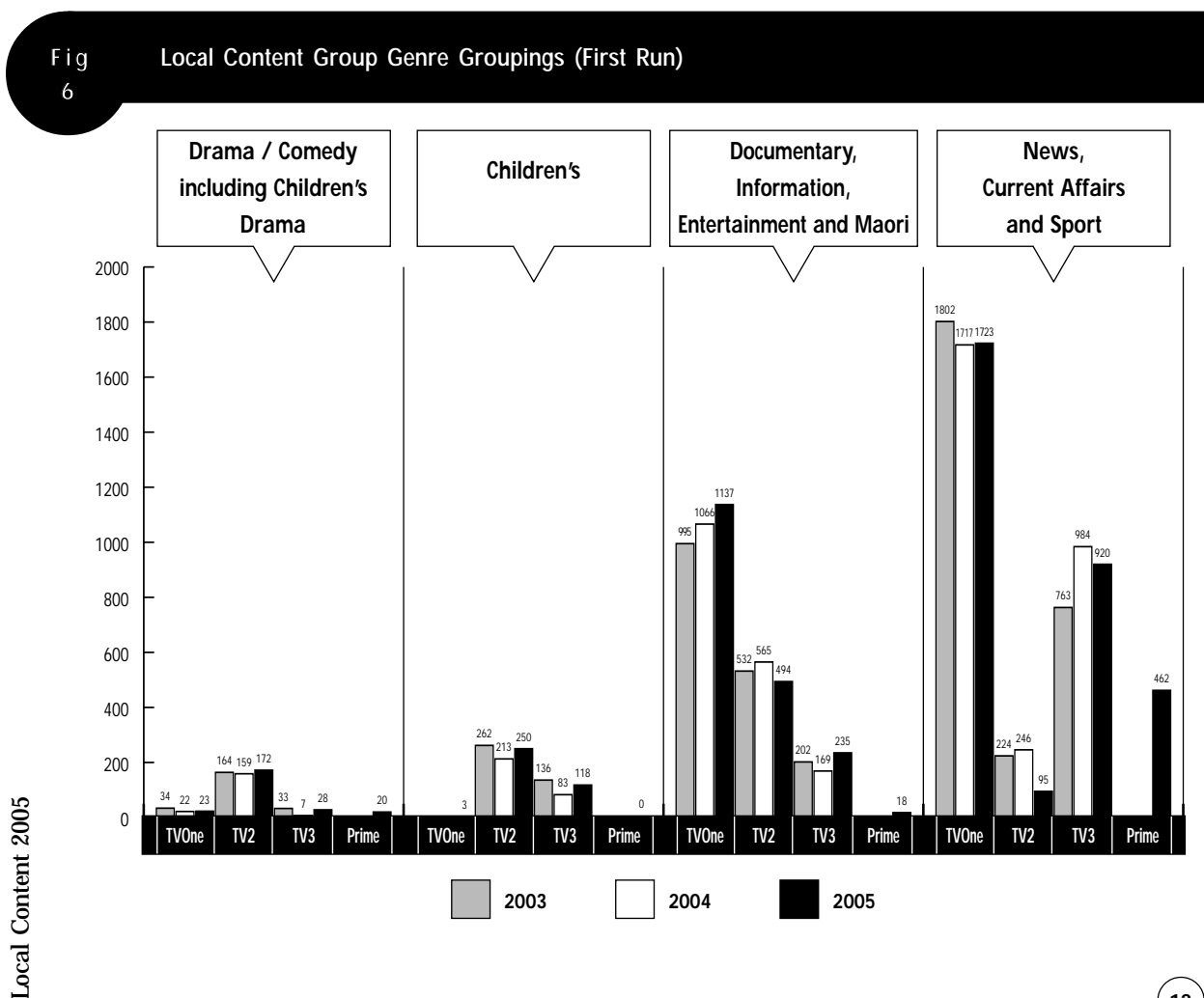
Prime TV

- First-run local content was 500 hours on Prime TV in 2005.
- First-run news and current affairs hours accounted for just over half of this, with 260 hours.
- First-run sports hours were 203, mostly due to the acquisition of the Cricket.
- First-run drama and comedy programming was 20 hours.
- Documentary, entertainment and information were 10 hours, 3 hours and 5 hours respectively.

The Local Content Group measures progress against four genre groups. These are:

- Drama/Comedy (including Children's Drama)
- Children's
- Documentary, Information, Entertainment, Maori
- News, Current Affairs and Sports

The graph below (figure 6) shows *first run* results by these genre groupings, for the hours 6am to midnight.



Prime Time Hours

Prime time local content increased in 2005: from 1860 hours in 2004 to 1937 in 2005 (excluding Prime TV). Including Prime TV, the total prime time local content hours in 2005 topped the 2000 mark, reaching 2070 (the highest measure ever recorded in this survey).

When you look at prime time local content as a percentage of the total prime time schedule, the figure for 2005 was 35.4%, compared with 42.3% in 2004. The inclusion of Prime TV again explains the percentage decrease.

As prime time (6pm-10pm) attracts the biggest audience, and consequently has the biggest revenue potential, it is logical that the bulk of a network's production budget will be spent on programming in this time band. Therefore prime time local content hours are a useful indicator of the status of production spending by the television networks.

TV One's prime time local content increased by 34 hours to reach 895 hours - the highest ever for the channel. Documentary, news and current affairs and entertainment all showed increases, with drama and comedy showing a small decline and information and sports prime time hours also declining.

TV2 showed a reduction in prime time local content of 59 hours (to 374 hours). The reduction was across all genre groupings, with the exception of prime time information programming.

In 2005, TV3 screened a total of 668 hours of prime time local content, an increase of 102 hours, and giving TV3 its highest level of prime time local content ever.

Prime TV screened a total of 133 hours of prime time local content.

NZ On Air's contribution to prime time local content on TV One, TV2 and TV3 in 2005 was 6.7% of the total, a decrease compared to 2004 (11.8%). When you include Prime TV figures, NZ On Air contributed funding to 7.9% of prime time hours in 2005.

Note: From 2006 the band for prime time hours in this report will be extended to better reflect international trends and programming realities. From next year, this report will measure and record as prime time all programming screened between 5:30pm and 11pm.

As a percentage of their prime time schedules (calculated as 1460 hours per channel):

- TV One screened 61.3% local content (58.8% in 2004)
- TV2 screened 25.6% local content (29.6% in 2004)
- TV3 screened 45.75% local content (38.6% in 2004)
- Prime TV screened 9.1% local content

When News and Current Affairs are excluded:

- TV One screened 19.8% local content (22.4% in 2004)
- TV2 screened 24.8% local content (28.2% in 2004)
- TV3 screened 6.4% local content (10.4% in 2004)
- Prime TV screened 2.6% local content

Detail on each channel follows:

TV One

- Once again TV One screened the most prime time local content of all channels with 895 hours, an increase of 34 hours.
- Prime time documentary hours increased by 29 hours to reach 164 hours
- Entertainment hours in prime time increased by 30 hours to a total of 66 hours, mostly due to the addition of *Dancing With The Stars* and *How Normal Are You?* to the schedule.
- There were decreases across information, drama/comedy and sports in prime time.
- News and current affairs hours in prime time were up 27 to 560.

TV2

- Local content in prime time decreased by 59 hours to a total of 374 hours.
- Information programming in prime time increased by 14 hours.
- There were minor decreases across all other genres with entertainment showing the greatest decrease (43 hours).

TV3

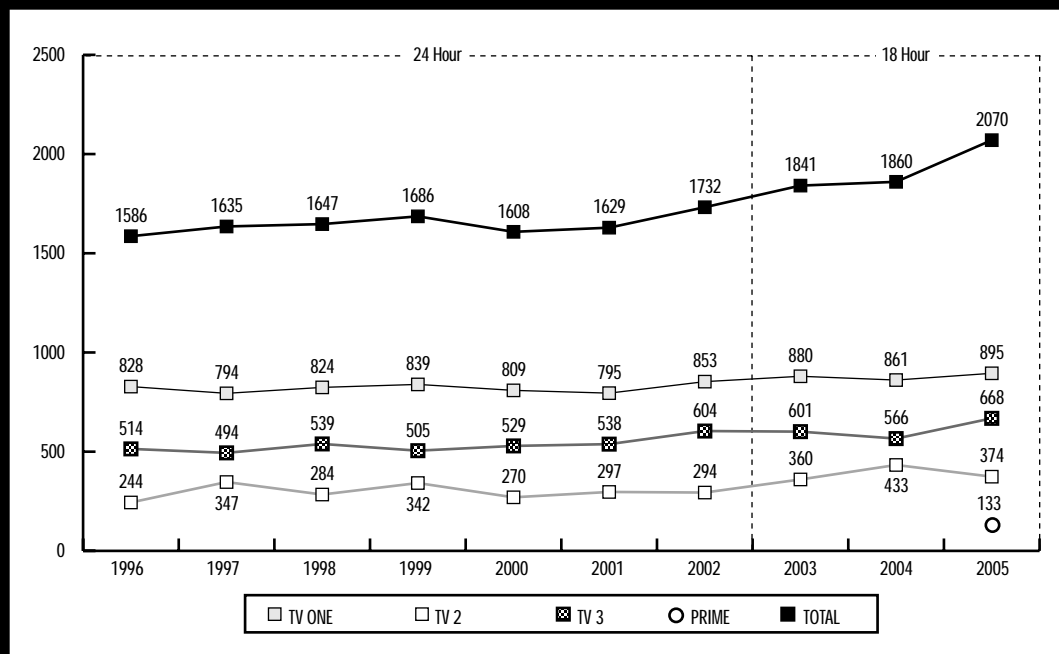
- Prime time local content increased by 102 hours to reach a total of 668 hours.
- News and current affairs prime time hours increased by 88, mostly due to the introduction of *Campbell Live*.
- Sports and information showed small decreases of 13 and 15 hours respectively.
- All other genres showed increases, the most significant being 19.5 hours for drama/comedy.

Prime TV

- Prime time local content on Prime TV totalled 133 hours.
- News and current affairs accounted for the biggest share at 77 hours.
- Other genres were: sports (18 hours), documentary (10 hours), drama/comedy (20 hours), information (5 hours) and entertainment (3 hours).

Fig 7

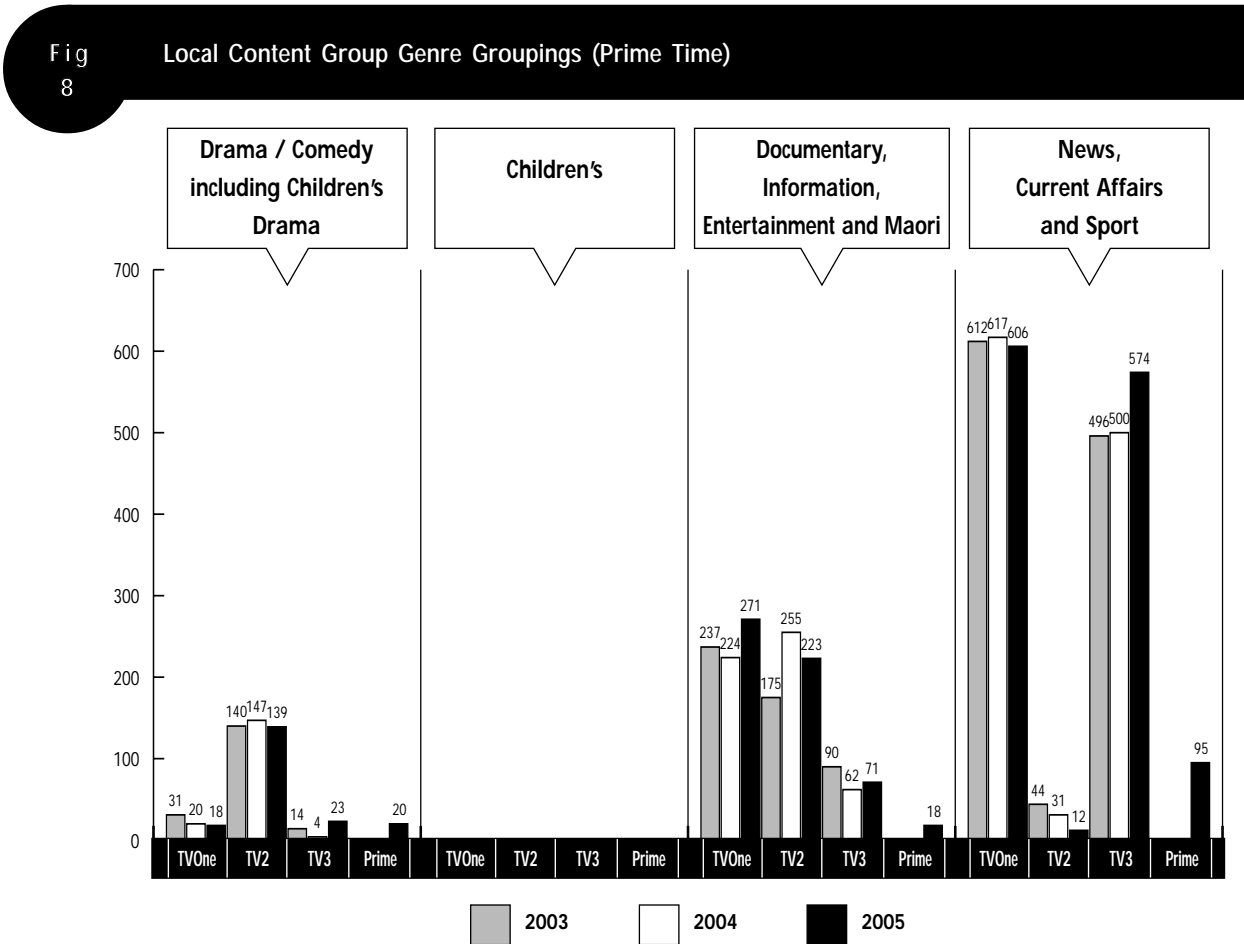
Prime time hours by channel



The Local Content Group measures progress against four genre groups. These are:

- Drama/Comedy (including Children's Drama)
- Children's
- Documentary, Information, Entertainment, Maori
- News, Current Affairs and Sports.

The graph below (figure 8) shows *prime time* results for these genre groupings.



7

Repeat Hours

Repeat programmes are screened by channels partly as a result of the demands of 24-hour transmission (i.e. the need to screen low-cost programming in less commercial slots such as overnight or very early morning) and partly to ensure the efficient utilisation of commissioned programmes by the channels (i.e. repeat screenings are generally used at no cost to the network).

Some programmes, such as preschool children’s programmes, are designed to be repeated and have a long shelf life so that they may serve different emerging audiences.

Repeated programmes generally don’t feature in the prime time schedule (although levels are higher over the summer holidays). In line with the other segments of this report repeat hours are now measured in terms of the 18-hour period from 6am - midnight. This is the most-watched period of the TV schedule.

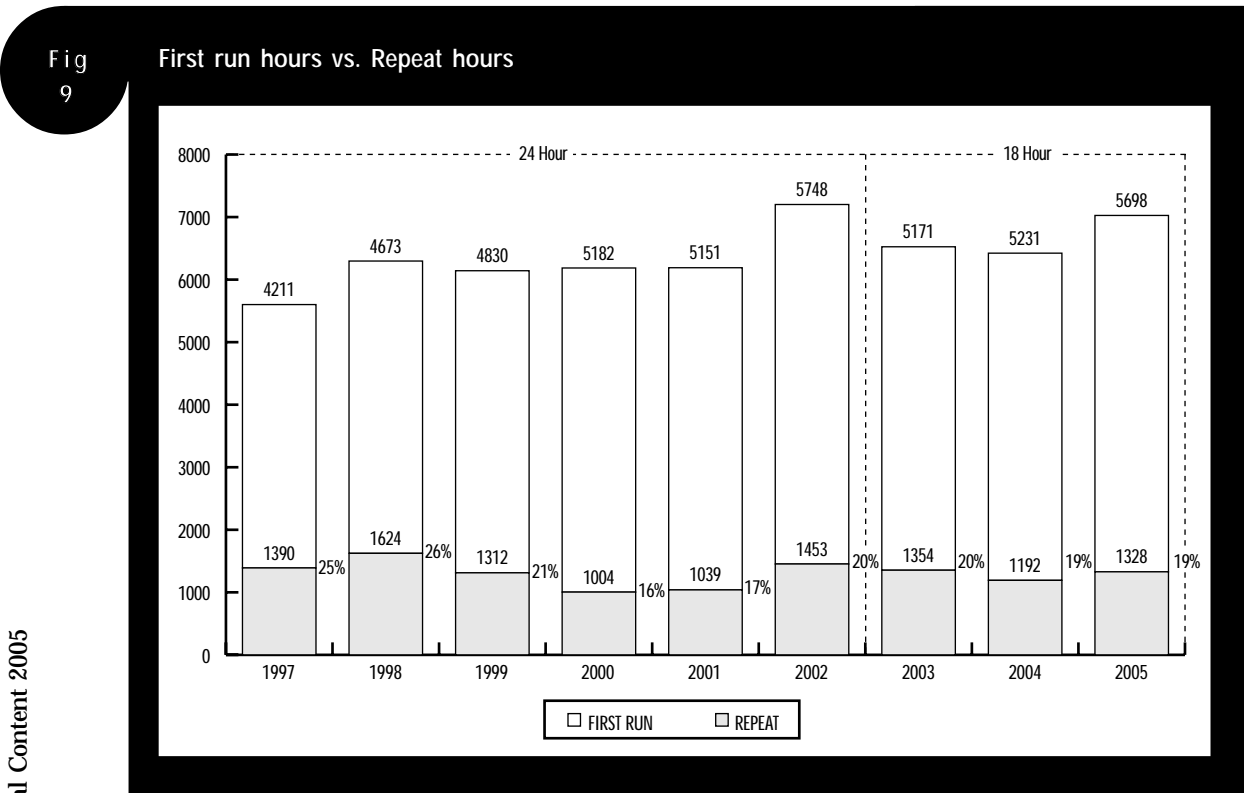
The total number of repeat screenings in 2005 increased by 65 hours to reach 1257 (excluding Prime TV). Including Prime TV’s 71 repeat hours brings the new total of repeat screenings for 2005 to 1328. Repeat programmes made up 19% of total local content hours, consistent with 2004.

TV One’s repeat hours increased by 67. Repeats of entertainment and Maori programming declined marginally, and all other genres showed an increase in repeat hours, the most significant being news and current affairs.

Repeat local content on TV2 increased by 93 hours. Information, entertainment and sports repeat programming increased while all other genres showed decreases.

Repeat hours on TV3 declined by 95, with information and Maori programming being the only genres where repeat hours increased. The most significant decline was 71 hours in repeated children’s programming.

Prime TV screened 71 hours of repeats, predominantly news and current affairs and sports.



Local Content 2005

A brief comment on the 2005 trends by individual genre follows. Statistics for each of the nine genres by channel are summarised in Appendix 2.

INFORMATION PROGRAMMING

The amount of locally-made information programming continued to decline. Including Prime TV's information programming in 2005 (5 hours), the total across all four channels still fell by 47 hours - from 1076 in 2004 to 1029 in 2005. The decline was relatively evenly spread across TV One, TV2 and TV3.

TV One screened by far the most locally-made information programming of all the channels (screening 76% of 2005's total information programming). Total information hours on TV One decreased this year by 21, falling from 807 hours to 786. The decrease was shared across prime time and off-peak and offset by a small increase (4 hours) in repeat information programming. A number of new information programmes debuted on TV One in 2005, including *AA Torque Show*, *Rural Delivery* and *Artsville*. Special interest programmes *Tagata Pasifika*, *Asia Down Under*, *The Tomb of the Unknown Warrior* and *Praise Be* all contributed to TV One's information programming in 2005 and *Attitude*, a new series for people with disabilities, made its debut. Perennials such as *Fair Go*, *Home Front* and *Good Morning* all made a return.

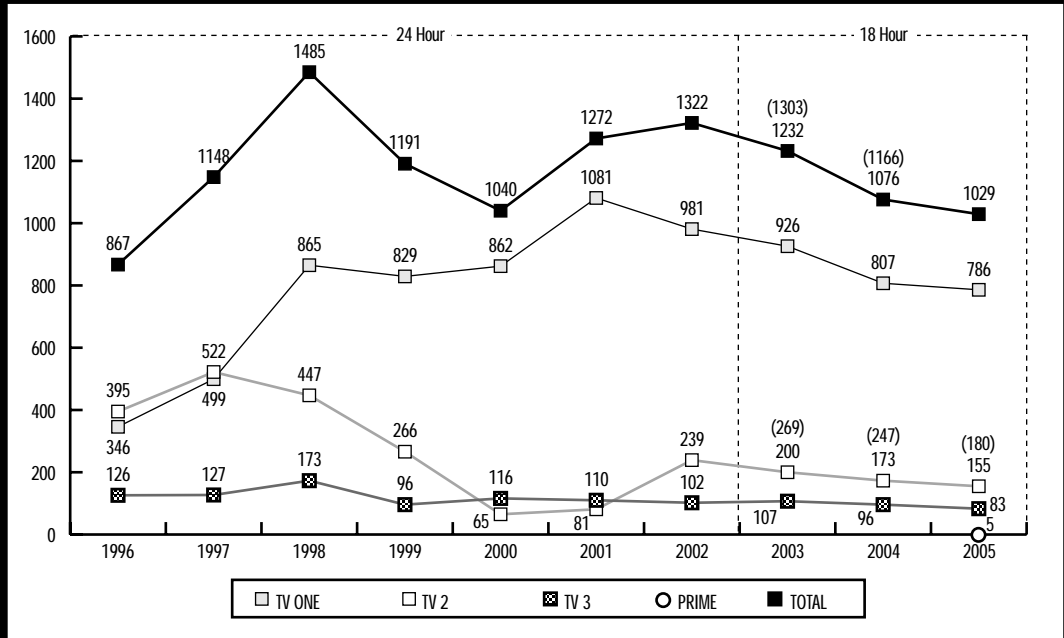
Information programming on TV2 also declined, falling by 18 hours to 155. The most significant change was a reduction of 107 hours in first-run off-peak programming, offset by a small increase in prime time programming (14 hours) and an additional 73 hours of repeat programming. New local information programmes on TV2 included *Eat Yourself Whole*, *To Catch A Thief* and *Doctor Tom: The Attitude Doctor*. Returning information series included *My House My Castle*, *Mitre 10 Dream Home* and *Quest for Success*.

Total hours of information programming on TV3 declined by 13 hours to 83 hours. A reduction in first-run information programming was offset somewhat by an increase in repeats. *Pacific Beat Street* made its debut on TV3 in 2005 and *Gone Fishin'*, *Target*, and *The Living Room* all returned as part of TV3's local information programming line-up.

NZ On Air provided funding support for some shows in the information category, notably special interest programming such as *Tagata Pasifika*, *Attitude*, *Asia Down Under* and *Praise Be* on TV One, *Kiwifruit* and *The Outhouse* on TV2, and *Pacific Beat Street* and *The Living Room* on TV3.

Fig 10

Total NZ information programmes by channel



Where a significant difference occurs between 18 hour and 24 hour figures, the 24 hour figure is included in parentheses () above the 18 hour figure.

DOCUMENTARIES

Total local documentary hours increased by 122 in 2005 to reach 536 hours, with increases on TV One, TV2 and TV3. Prime TV contributed 17 hours of local documentary programming to this total.

On TV One, local documentary hours increased by 53, mainly due to more first-run hours - 30 in prime time and 20 off-peak. A number of new series contributed to the increase in this genre, including *Air Force*, *The Big Experiment*, *The Survivor Files*, *Off The Rails* and *Frontier Of Dreams*. Programmes that made a return included the long-running favourite *Country Calendar*, as well as *Animal House*, *Intrepid Journeys* and *Border Patrol*. Popular series *Explorers*, *Captain's Log* and *Give It A Whirl* all had repeat screenings.

Documentary hours on TV2 increased by 47, with first-run hours up 6 and repeats up by 41 hours. Programmes to make their debut in 2005 included *The Inspectors*, *Remarkable Vets* and *Neighbours At War*. Returning series included *Motorway Patrol*, *The Zoo*, *Police Ten-7* and *SCU Serious Crash Unit*.

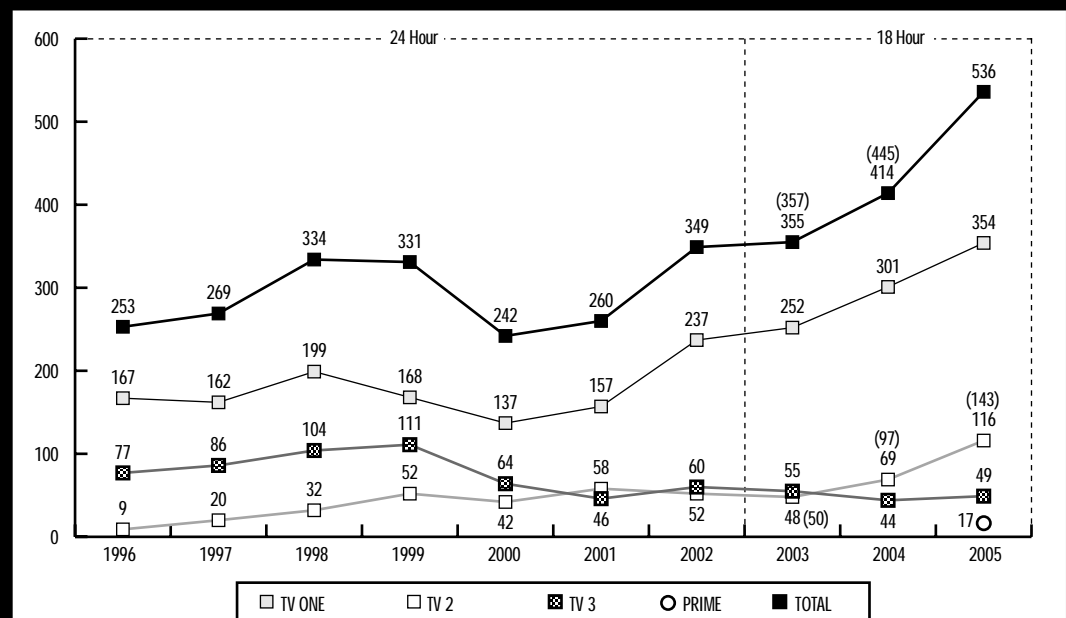
TV3's local documentary hours increased by 5 hours with first-run documentary programming increasing by 21 hours (14 in prime time) and repeats decreasing by 16 hours. *Inside New Zealand* returned for a 14th series, including *The House Trap* and *High Times*. The series *Stake Out* and *Downsize Me* also screened.

Prime TV screened 17 hours of local documentary programming, with 10 hours screening in prime time. Repeats made up 7 hours. New series included *New Zealand's Top 100 History Makers* and *Extraordinary Kiwis*.

NZ On Air is a substantial supporter of the documentary genre and provided \$9.07 million in the 2004-2005 year, contributing to 103 hours of documentary programming.

Fig
11

Total NZ documentaries by channel



Where a significant difference occurs between 18 hour and 24 hour figures, the 24 hour figure is included in parentheses () beside the 18 hour figure.

MAORI PROGRAMMING

The total hours of programming made predominantly by Maori for Maori (whether in Te Reo or English) was 346 hours, a decline of 10 hours when compared to 2004. This total *excludes* programming screened on the Maori Television Service, which is not currently measured in this Local Content Report. A note on the Maori Television Service is included in the 'Other Channels' section of this report.

TV One screened 75% of all Maori programming. The 2005 total of 258 total hours is consistent with previous years. *He Whare Korero*, *Waka Huia*, *Marae* and *Te Karere* all returned in 2005.

The total hours of Maori programming on TV2 decreased by 15 hours to 23 hours with no new programmes debuting in this genre. The decrease in hours is mostly attributable to the reduction in duration for *Mai Time* - from 1 hour to half an hour. *Korero Time* also returned in 2005.

TV3's total hours for Maori programming increased by 16 hours - from 49 to 65 hours. First-run hours increased by 10 and repeat hours by 6. *Pukana*, and a *Pukana Christmas Special* screened as well as the series *Tu Te Puehu*.

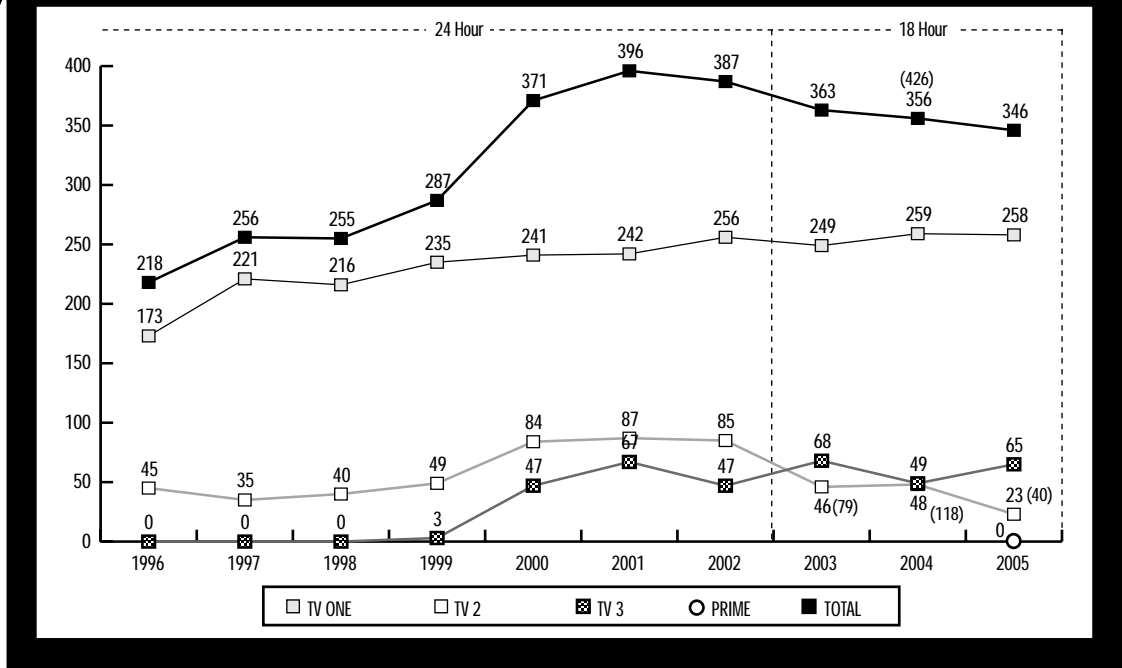
No Maori programmes screened on Prime TV.

All of the Maori programming on TV One, TV2 and TV3 screened off-peak.

Maori broadcasting funding agency Te Mangai Paho funds the majority of Maori programming. NZ On Air contributed funding to two Maori programmes considered to be of interest to a mainstream audience (including Maori): *Mai Time* and *Korero Time*. NZ On Air also allocated funding to provide sub-titles for *Te Karere*. In addition to programmes included in this category, some documentaries with significant Maori content screen within TV3's *Inside New Zealand* and TV One's documentary strands. These are not included in this tally, as they appear in the documentary genre figures.

Fig
12

Total Maori programmes by channel



Where a significant difference occurs between 18 hour and 24 hour figures, the 24 hour figure is included in parentheses () beside the 18 hour figure.

CHILDREN'S PROGRAMMES (including Children's Drama)

Total hours of children's (and children's drama) programmes declined, falling by 49 hours to 500 hours in 2005.

The main reason for the decline was a reduction in repeat programming on both TV2 and TV3.

TV One screened *Zone: QTV*. Repeats of *Tiki Tiki*, which screened on TV One in 2005 are, for the purposes of this survey, included in the Maori programming numbers.

As in previous years, TV2 was the main provider of locally-made children's programmes with a total of 374 hours, a decrease of 5 hours compared to 2004. TV2's first-run hours in 2005 increased by 41 hours to reach 263 hours, and children's repeats decreased by 45 hours. Children's programmes to debut on TV2 in 2005 were the animated series *Adventures of Massey Ferguson* and children's drama series *Holly's Heroes*. Pre-school series *The Go Show* also made its debut. Returning series included *Studio 2*, *What Now? Saturday Disney* and *Squirt*.

Local children's programming on TV3 decreased by 47 hours in 2005 to 123 hours. First-run children's programming increased by 32 hours, due to the increased duration of *Sticky TV*, but this was offset by a decrease of 78 hours in repeat children's programming. No new children's programming screened on TV3 in 2005 but as well as *Sticky TV*, *The Dress Up Box* continued to screen and children's drama series *Secret Agent Men* had a repeat screening.

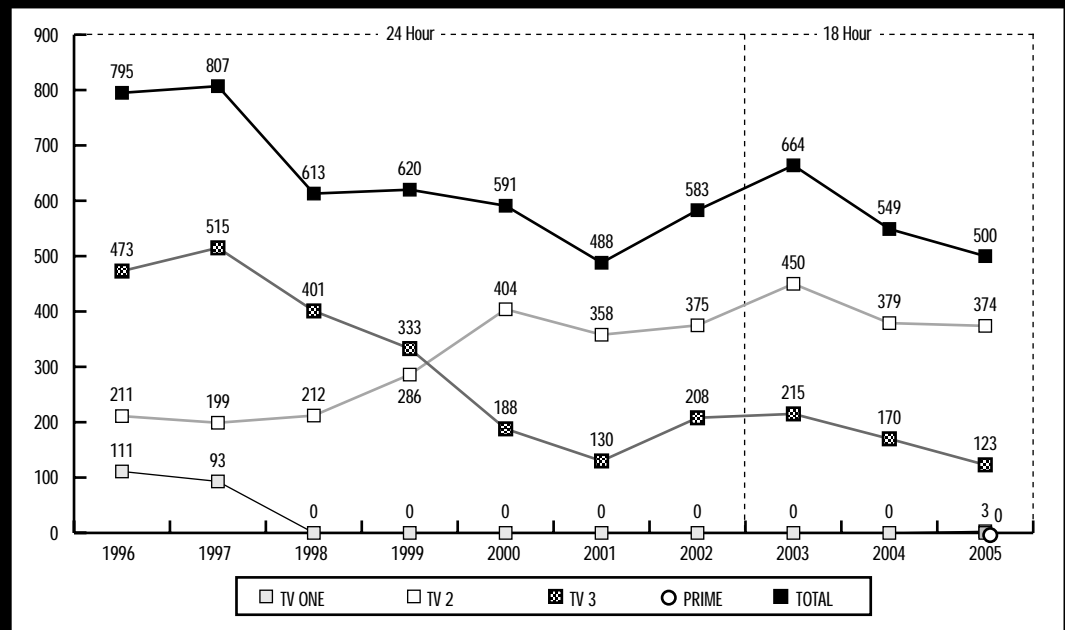
No children's programming screened on Prime TV.

Because children's programmes screen in off-peak (non-commercial) timeslots, and because children's programming can be expensive to produce, broadcasters do not commission this genre without substantial financial assistance. Therefore, NZ On Air is the main funding contributor to children's and young persons' programming.

NZ On Air's new children's strategy implemented in the 2003-2004 year has resulted in the funding of more stand-alone (but lower volume) children's shows. Increasing production costs also continue to have an impact on the hours produced and therefore screened.

Fig
13

Total NZ children's hours by channel



ENTERTAINMENT

Locally-made entertainment hours increased significantly in 2005 - up 162 hours, from 578 in 2004 to 740 in 2005. This was mainly due to increases in prime time hours on TV One and TV3 and off-peak hours on TV One, TV2 and TV3. Prime TV screened 3 hours of entertainment programming in 2005.

Entertainment programming on TV One reached a total of 209 hours with an increase of 30 hours in prime time. Off-peak entertainment programming also increased slightly on TV One, and repeat programming decreased slightly. The hugely successful *Dancing With The Stars* debuted in prime time on TV One in 2005, as did *How Normal Are You? Headliners* continued its run and *Game Of 2 Halves*, *Mucking In* and *Wonder Dogs* all returned.

TV2 showed an increase of 62 hours to 419 hours in 2005. The prime time component of this decreased by 43 hours, in part because 2004's 24-hour musicathon *National Anthem* did not recur in 2005. Off-peak entertainment programming on TV2 increased by 79 hours and repeat programming increased by 27 hours. A number of entertainment programmes made their first appearance in 2005, including *So You Wanna Be A Popstar*, *Matthew And Marc's Rocky Road* series, *Miss Popularity* and *Cash Battle*. Programmes making a return included *NZ Idol*, *Top Of The Pops*, *Sports Café* and *Ready, Steady, Cook*.

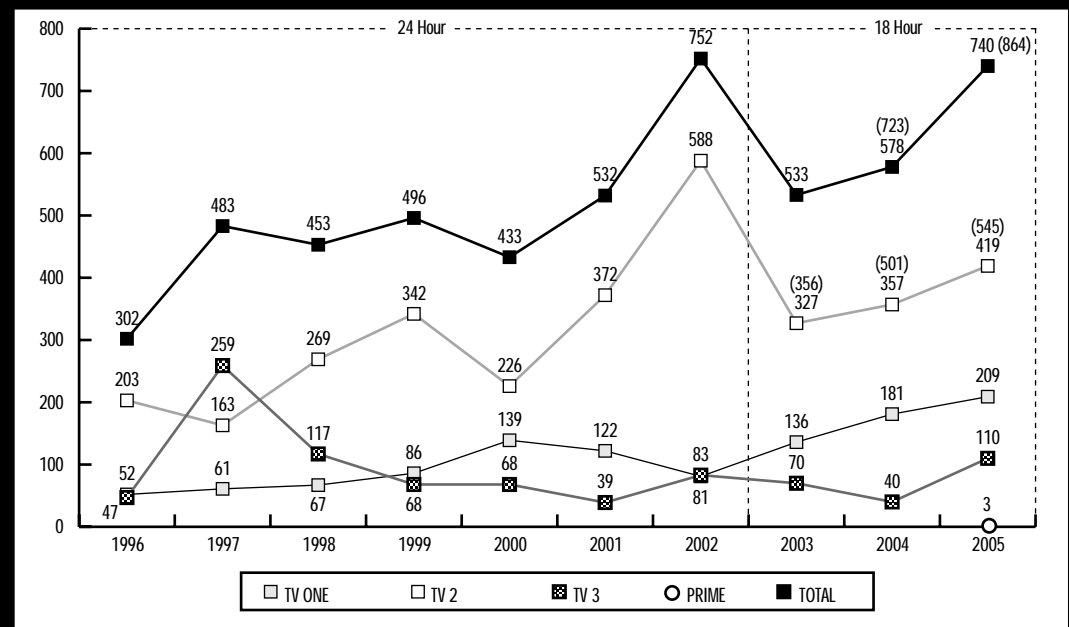
TV3's entertainment hours were 40 in 2005, compared to 110 in 2004. TV3's first-run entertainment programming increased by 70 hours and prime time entertainment hours increased by 10 hours. Off-peak programming increased by 64 hours, with the addition of *The Official NZ Top 40* to the schedule. *The Summit*, *Sing Like A Superstar*, *Snatch Our Booty* and *Dare To Believe* all made their debut on TV3 in 2005. Repeat entertainment programming decreased by 4 hours to a total of 7.

Out of the Question made up the 3 hours of local entertainment programming screened by Prime TV.

NZ On Air does not generally fund programmes in the entertainment genre, as they tend to be lower cost and / or sufficiently commercial for broadcasters to fund them independently.

Fig
14

Total NZ entertainment hours by channel



NB: The 2002 numbers shown in this graph are higher due to a categorisation error in the 2002 survey.

Where a significant difference occurs between 18 hour and 24 hour figures, the 24 hour figure is included in parentheses () beside the 18 hour figure.

NEWS AND CURRENT AFFAIRS

In 2005 total hours of news and current affairs increased by 90 hours (excluding Prime TV). Taking into account Prime TV's 305 hours, local news and current affairs programmes reached 2555 hours - an all-time high.

TV One screened a total of 1613 hours of news and current affairs programming in 2005, an increase of 117 hours. The increase was mostly repeat programming (61 hours). The channel's staples continued to be the stable of *One News* shows and while no new programming in this genre was introduced to the channel, *ASB Business* and *Breakfast* were repackaged for weekend transmission for the first time. Programmes that were added to TV One's line-up in 2004 continued in 2005, including *Close Up*, *Agenda*, *Eye To Eye* and *One News: Insight*.

TV2's total news and current affairs hours decreased by 112 hours in 2005 to 12 hours. The reduction was due to the cancellation of youth news show *Flipside*. The 12 hours that screened on TV2 in 2005 were made up by the introduction to TV2 in 2005 of current affairs show *20/20*.

TV3's total news and current affairs hours increased from 540 in 2004 to 625 hours in 2005. All first-run programming and almost all in prime time, the increased hours were a result of the addition of *Campbell Live* to TV3's weeknight line-up. *3 News*, *Nightline* and *60 Minutes* all returned to TV3 in 2005, while *20/20* moved to TV2.

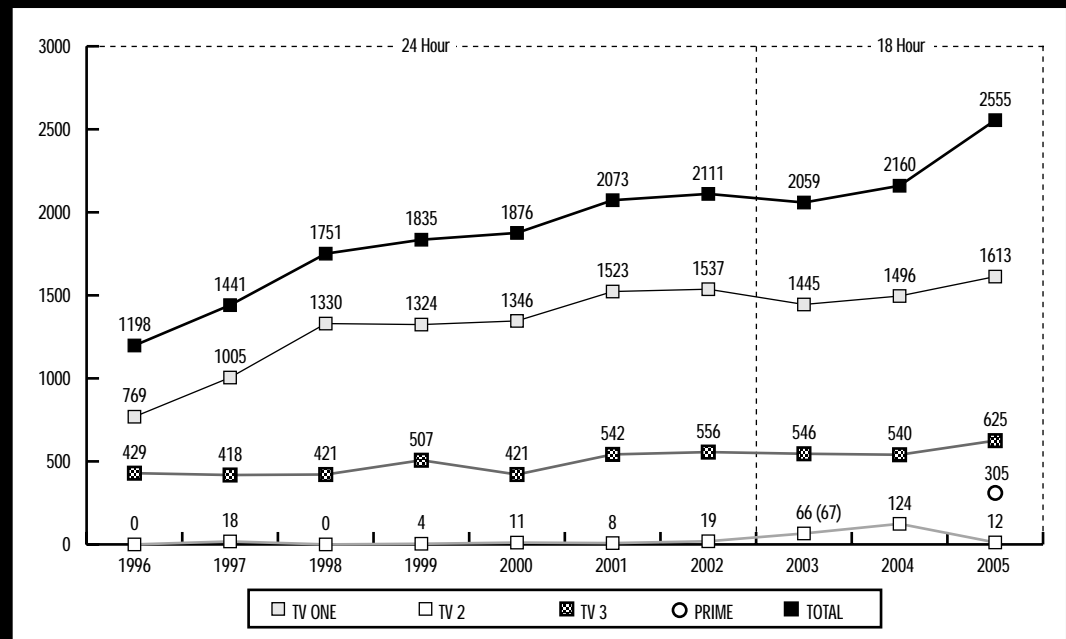
Prime TV screened a total of 305 hours of local news and current affairs programming - 77 hours in prime time, 183 hours off-peak and 45 hours of repeats. *Prime News* and *Holmes* were the mainstays of Prime's local news and current affairs line-up.

NZ On Air does not generally contribute funding to news and current affairs programmes.

Note: As highlighted in the 2003 Local Content Report, NZ On Air no longer includes newsbreaks in this report. They make up a very small percentage of the total hours and arguably are neither first-run nor repeat programming.

Fig
15

Total NZ news & current affairs hours by channel



SPORTS

Total sports coverage can fluctuate dramatically from year to year, largely affected by major international events such as the Olympic Games (1992, 1996, 2000 and 2004), Commonwealth Games (1990, 1994, 1998 and 2002) or the America's Cup (1995, 1999 and 2003).

Figure 16 shows a spike in the 2002 figures, which occurred as a result of coverage of three major sporting events: The Commonwealth Games, Winter Olympics and the Louis Vuitton Cup. The following year, levels were bolstered by coverage of the America's Cup and the Rugby World Cup. In 2004, due to time zones, much of the coverage of the Athens Olympics on TV One occurred after midnight and thus was not captured in the survey hours (although Athens still had an impact on TV One's 2004 total, as is apparent when it is compared with the 2005 figures).

Total sports hours on TV One, TV2 and TV3 fell from 889 hours in 2004 679 in 2005. Taking Prime TV's hours (222) into account, the new total for 2005 comes to 901.

TV One's sports hours declined by 44 hours to reach 265 hours. Netball, Tennis, Rugby Sevens, Horse Racing, Hockey, Rowing and Motor Sport were all a part of TV One's sports line-up and *Sports Hour* was new to TV One in 2005. The overall decline, as noted above, can be attributed to the absence of Olympics coverage in 2005.

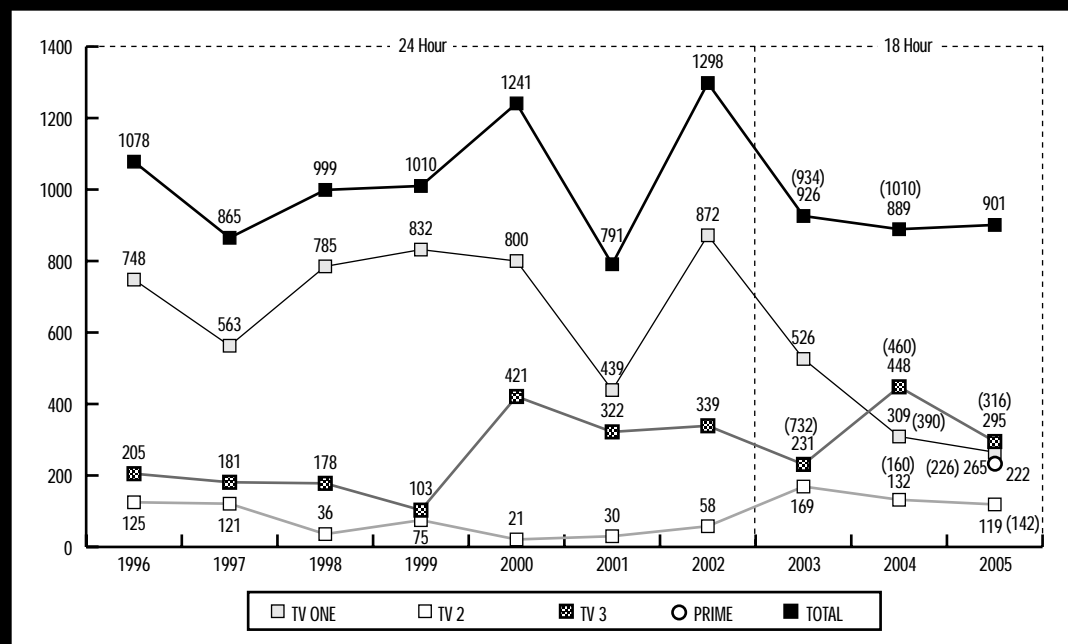
Sports coverage on TV2 was also down slightly, declining by 13 hours to 119. First-run programming decreased - with none in prime time - but repeat hours were up. Basketball was the foundation of TV2's sports programming with Beach Volleyball, Softball, Kickboxing, Ironman and Surf Lifesaving also making an appearance.

Total sports hours on TV3 also decreased by 153 hours, to 295, mostly as a result of Prime TV securing Cricket coverage. The majority of the decrease was in off-peak programming. Rugby, including NPC, Super 12, the All Blacks Grand Slam Tour and the Lions Tour, continued to screen on TV3 in 2005, as did Golf, Rally, Trotting, Melbourne Cup Racing and the National Sheepdog Trials.

Prime TV screened 222 hours of local sports programming, consisting of Cricket and the NRL. Of the total, 18 hours was in prime time and 184 hours off-peak. Repeated programmes made up 19 hours.

Fig
16

Total NZ sports hours by channel



Where a significant difference occurs between 18 hour and 24 hour figures, the 24 hour figure is included in parentheses () beside the 18 hour figure.

DRAMA/COMEDY HOURS

Total hours in this genre remained consistent with 2004 figures, at 401 hours (excluding Prime TV). The addition of Prime TV to this report brings the new total for 2005 to 421 hours. An increase on TV One was offset by a decrease in hours on TV2 while TV3's drama and comedy hours remained steady.

TV One's total hours of local drama and comedy programming were up by 16 to reach a total of 63. The increase is mostly due to an increase in repeat screenings of drama and comedy programmes. Prime time hours decreased slightly in 2005. A number of local feature films screened on TV One in 2005 including *Rain*, *Jubilee*, *Heavenly Creatures* and *Via Satellite*. A new series of *Mataku* also played and dramas *Mercy Peak* and *Duggan* were repeated. *Seven Periods With Mr Gormsby* was introduced in 2005 and a new series of *Facelift* also screened in the run up to the General Election.

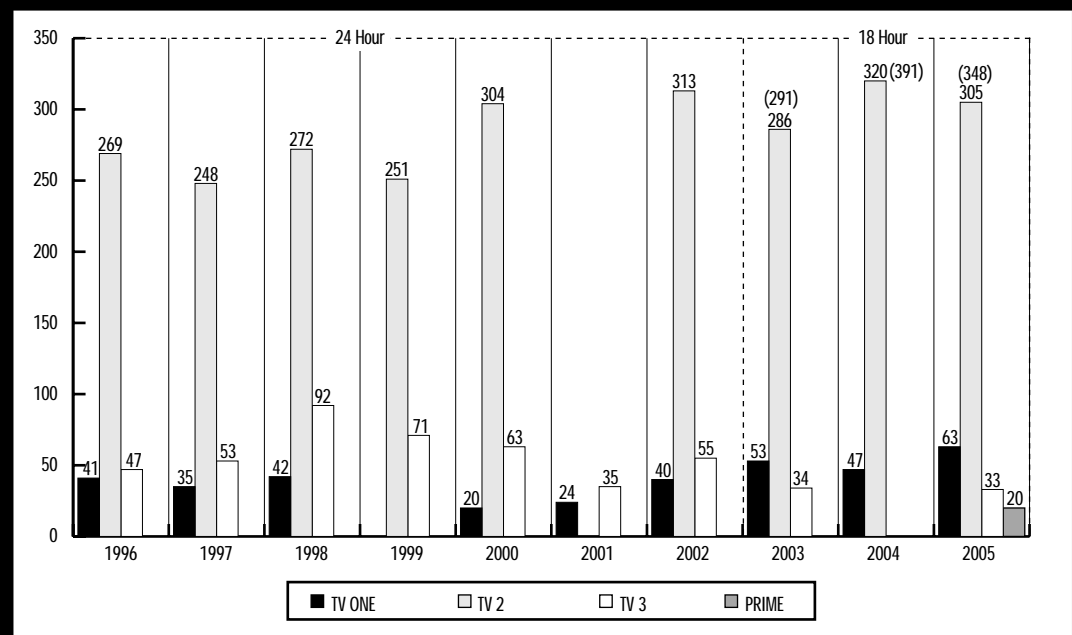
Total drama and comedy hours on TV2 declined by 15 to 305, with a decrease in both prime time and repeat programming. Off-peak programming increased due to the late night screening of comedies made as part of the TV2 Comedy Innovation initiative and the *Moon TV* series. *Insiders Guide To Love*, the prequel to the critically acclaimed *Insiders Guide To Happiness*, was the only new local drama to screen and urban drama *Street Legal* was repeated. *Shortland Street* continues to be the mainstay of TV2's drama schedule. *Eating Media Lunch* and the *Comedy Gala* also returned to TV2 in 2005.

Drama and comedy hours on TV3 again remained relatively static showing a decline of only 1 hour, compared to the 2004 figures. Prime time hours increased by 20, off-peak hours by 4 and repeat programming declined by 25 hours. *Outrageous Fortune* was a key part of TV3's drama schedule in 2005 and *'broTown* made a return. Mockumentary series *The Pretender* also debuted on the channel in 2005. Local feature film *Kombi Nation* had its television premiere and *The Price of Milk* and *Crooked Earth* were both repeated.

Prime TV screened 20 hours of local drama and comedy programming in 2005. All of these hours were in prime time and consisted of police drama *Interrogation* and *The Tem Show*.

Fig
17

Total NZ drama/comedy hours by channel



NB: 2002 hours for TV One and TV2 are lower than those shown in the 2002 survey due to a categorisation error.

The following sections provide a brief summary of the local content available on the other major New Zealand television channels, including Pay TV and regional broadcasters. Next year local content hours for Maori Television and C4 will be incorporated into the main body of the report.

C4

C4, CanWest's music channel, screened 803 hours of local content in 2005, a slight decrease on 2004. Consisting mainly of music videos it also included music quiz show *Pop! Goes The Weasel*, the *Vodafone New Zealand Music Awards* and a series of *Homegrown Profiles*.

MAORI TELEVISION SERVICE

The Maori Television Service launched in March 2004 and became a member of the Local Content Group in 2005. From 2006 Maori Television Service hours will be formally analysed and incorporated into the main body of this report.

The Maori Television Service broadcasts from 4.00pm until 11.30pm every day, with a screening of Maori language series *Manu Rere* from 10.00am until 11.00am on weekday mornings.

Maori Television Service screened a total of 2281 hours of local content in 2005, comprising 62% of their total broadcast hours. A total of 967 hours was first run programming with 1314 hours of repeat programming

When broken down by genre the hours of local content were: Entertainment - 507 hours (22% of total content), Information - 392 hours (17%), Maori Programmes - 453 hours (20%), Children's - 293 hours (13%), News & Current Affairs - 333 hours (15%), Drama/Comedy - 48 hours (2%), Documentaries - 124 hours (5%) and Sports - 131 hours (6%).

SKY TELEVISION

Figures for local content screened on Sky were collated by Sky and provided to NZ On Air for use in this Local Content Report.

According to Sky's analysis, in 2005 Sky screened a total of 12641 hours of local content across its channels. This is an increase on Sky's reported 2004 total of 7610 hours. Of the 2005 total, 11603 hours were locally produced sports programmes, and 1038 hours were local entertainment programming.

A full breakdown of Sky's local content figures is included as appendix 9.

REGIONAL CHANNELS

Since this survey began there has been a burgeoning of smaller regional and community channels, with channels now operating from the Far North to Invercargill.

The New Zealand Regional Television Broadcasting Group (RTB) represents the common interests of these stations, which may operate under commercial or non-commercial licences. The RTB states that the key point they have in common is that they are able to meet the viewing demands of a part of the population whose viewing requirements cannot be met on a national basis.

The RTB has provided local programming figures to NZ On Air for inclusion in this Local Content Report. The Group states that its members screened 18173 hours of 'locally provided' programmes and 'locally produced' programmes, some of which are New Zealand made programmes funded by NZ On Air. (Note: a "locally provided" programme is one that is purchased from overseas by a local community group, which then purchases broadcast time from the local channel).

Of the 18173 hours, 4344 hours of the total were first-run and 13829 hours were repeats. Of the 4344 first-run hours reported by the RTB, 2608 were locally produced and 1736 were locally provided. NZ On Air programmes made up 289 hours of regional first-run programming.

Note:

Filler programmes such as New Zealand music videos are not included, just as filler programmes are not included for the national channels.