

**Senate Environment, Communications and the Arts Legislation Committee Inquiry into the
Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011
Answers Questions on Notice
Broadband, Communications and the Digital Economy Portfolio**

Question No: 1

Hansard Ref: In Writing

Topic: TELEVISION LICENCE AREA PLANS

Senator Fisher asked:

What will be the extent of Ministerial over-ride in terms of Directions that the Minister is able to make concerning variations to a television licensing area plan (TLAP) under the proposed subsections 26(8) and (9) of the Broadcasting Services Act? (page 11 of EM).

Are the TLAP's intended to reflect the existing licence area plans?

When will the TLAP's be issued? If issued prior to the end of the simulcast period, doesn't this free up unused spectrum sooner for mobile or other uses?

Answer:

Broadly speaking, the Australian Communications and Media Authority's (ACMA) powers in respect of making and varying television licence area plans are set out in proposed subsections 26(1B) to 26(1M) of the Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011.

Proposed subsection 26(8) of the Bill gives the Minister an additional power to direct the ACMA about the exercise of its powers to make or vary a television licence area plan for a particular area. This power enables the Minister to give general or specific directions to the ACMA in relation to the ACMA's powers to make or vary a television licence area plan. The extent to which the Minister exercises those powers, if at all, is a matter for the Minister.

The new directions powers is intended to allow the Minister to articulate planning principles or criteria that will guide the ACMA when it makes or varies a television licence area plan. For example, the Minister may direct the ACMA to consider, when making a television licence area plan, to minimise the financial impact on affected broadcasters or to minimise the disruption for the affected television audience.

Television licence area plans are intended to replace existing licence area plans to the extent that those plans deal with the planning of television broadcasting services and digital channel plans. There are transitional measures set out in Item 1 of Schedule 3 of the Bill that ensure the preservation of licence areas specified in licence area plans. However, it is not intended that television licence area plans reflect all characteristics in the existing licence area plans.

Proposed subsection 26(1J) provides that a television licence area plan for a licence area of a commercial television broadcasting licence must not come into force before the end of the simulcast period or simulcast-equivalent period for that licence area but must come into force

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before the designated re-stack day for that licence area. It is a matter for the ACMA as to when it makes a television licence area plan within this timeframe.

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Question No: 2

Hansard Ref: In Writing

Topic: MINISTERIAL DIRECTIONS POWER

Senator Fisher asked:

Even though the Minister's power to issue a direction and ACMA's obligation to comply with it will sunset on the designated re-stack day, will the Minister's directions made prior to the designated re-stack day still remain enforceable? (page 11 of EM).

Answer:

Under subsection 26(10) of the Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011 (the Bill) the ACMA will be required to comply with a Ministerial direction made under proposed subsection 26(8) of the Bill until the designated re-stack day for the area.

An obligation in a Ministerial direction will only be enforceable after the designated re-stack day if that obligation has not complied with before the designated re-stack day.

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Question No: 3

Hansard Ref: In Writing

Topic: ALLOCATION OF CHANNELS

Senator Fisher asked:

In terms of the allocation of channels, what will prevent ACMA from allocating more than two channels per TLAP to the most powerful broadcasters to the detriment of lesser players in the market? (proposed subsection 26(1E))? (page 9 of EM).

Answer:

While there is no express prohibition on the Australian Communications and Media Authority (ACMA) allotting broadcasting spectrum in whatever way it sees fit, it has to do so in a manner that is appropriate having regard to the objects and purposes of the *Broadcasting Services Act 1992*.

Proposed subsection 26(1E) allows a television licence area plan to allot, or empower the ACMA to allot, two or more channels to particular broadcasters. This is a short term measure that will enable the ACMA to plan for temporary digital simulcasts of digital television services.

Temporary digital simulcasts may be necessary in metropolitan areas and other areas with high density housing as a number of central antenna systems in multi-dwelling units may need to be reconfigured as a result of the restack.

The intention of the provisions is not to disadvantage any broadcaster. In the discussion paper, *Clearing the Digital Dividend: Planning objectives and principles for restacking digital television channels*, issued by the ACMA on 28 February 2011, the ACMA outlines that one of its proposed objectives is to plan for six digital television channels at each transmission site and that the coverage of those six channels is similar. In other words, the intention would be for all broadcasters in a particular area to be assigned channels of equivalent utility.

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Question No: 4

Hansard Ref: In Writing

Topic: RESTACKING OF SPECTRUM

Senator Fisher asked:

Why isn't it necessary for the re-stacking of the spectrum to occur prior to the digital switchover on 31/12/2013?

Answer:

The digital dividend spectrum will become available as a result of the switchover to digital-only television broadcasting and the return of spectrum capacity currently used for analog television, which will be completed in Australia by 31 December 2013.

In order to release this spectrum, broadcasting services will need to be relocated out of the digital dividend spectrum and organised more efficiently within the remaining spectrum allocation. This process is known as 'restack'. In general, the restack of digital television broadcasting services will need to occur after the switch off of analog television signals because there will be insufficient spectrum available beforehand to facilitate the restack.

For example, the *Australian Communications and Media Authority (Realising the Digital Dividend) Direction 2010* directed the ACMA to provide for six television channels in each metropolitan area (located between 174 Megahertz and 230 Megahertz) This means that, in metropolitan areas the SBS and the sixth unassigned channel must be moved into this spectrum . This can only be done once the analog services in that spectrum are switched off.

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While the Bill temporarily removes the requirement for wide public consultation in respect of variations to a frequency allotment plan, it is still within the ACMA's discretion to conduct whatever consultation the ACMA considers appropriate in the circumstances.

After the designated re-stack day, the existing requirement for wide public consultation will apply to any variation of a frequency allotment plan.

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Question No: 5

Hansard Ref: In Writing

Topic: CONSULTATION FOR TELEVISION LICENCE AREA PLANS

Senator Fisher asked:

To what extent will ACMA's normal "wide public consultation", in relation to its planning functions, be limited concerning the facilitation of the digital dividend? (page 10 of EM). Will this favour the influential and larger broadcasters?

Answer:

The Bill temporarily removes the requirement for wide public consultation in relation to television licence area plans until the designated re-stack day in an area. However, it is still within the ACMA's discretion to engage in public consultation during this period if the ACMA considers it appropriate.

Under proposed subsection 27(1B), until the designated re-stack day the ACMA will still be required to consult with:

- Commercial television broadcasting licensees who are likely to be affected by the preparation or variation of the plan;
- National broadcasters;
- Community broadcasting licensees who are likely to be affected by the preparation or variation of the plan; and
- any other party the ACMA considers appropriate (which could include narrowcasters, or anyone relevant to the technical, engineering and related planning for restack).

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Question No: 6

Hansard Ref: In Writing

**Topic: CONSULTATION FOR VARIATIONS TO FREQUENCY ALLOTMENT
PLANS**

Senator Fisher asked:

The modified consultation requirements set out in the proposed subsection 27(1B) will also apply until the designated re-stack day for variations to a frequency allotment plan to the extent that the variation relates to the determination of the number of channels that are to be available in a particular area to provide TV broadcasting services.

By effectively removing a degree of consultation with non – broadcasting bodies, how does the Government consider it will access the views of the broader community affected by any broadcasting decisions? (page 13 of EM).

Answer:

In the Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011, modified consultation criteria are proposed to apply to the variation of a frequency allotment plan to the extent that the variation relates to the determination of the number of channels that are to be available in an area to provide television broadcasting services and is made in connection with the preparation or variation of a television licence area plan for the area.

It is anticipated that the variation of a frequency allotment plan in the context of the restack of digital television channels will be largely a technical and engineering exercise concerning the transmission specifications of existing broadcasting services. Accordingly wide public consultation is not considered necessary.

Under proposed subsection 27(1B), the ACMA will still be required to consult with:

- Commercial television broadcasting licensees who are likely to be affected by the preparation or variation of the plan;
- National broadcasters;
- Community broadcasting licensees who are likely to be affected by the preparation or variation of the plan; and
- Any other party the ACMA considers appropriate (which could include narrowcasters, or others relevant to the technical, engineering and related planning for restack.

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Question No: 7

Hansard Ref: In Writing

Topic: DESIGNATION OF RADIOFREQUENCY SPECTRUM FOR BROADCASTING SERVICES

Senator Fisher asked:

Section 31 of the Radiocommunications Act empowers the Minister to designate part of the radiofrequency spectrum as primarily for broadcasting services, or designate part of the radiofrequency spectrum as being partly for restricted datacasting services or for digital radio broadcasting services.

Why is the Minister being granted broad powers under the proposed sections 33 & 34 of the RCA to vary a broadcasting services band (BSB) designation?

Answer:

The amendments proposed by Items 31 to 34 of Schedule 1 of the Bill do not grant a broader power to the Minister to vary a broadcasting service band designation, rather they confirm that the Minister has the power to vary the designation to either enlarge or reduce the part of the spectrum covered by the designation. This amendment confirms that the Minister can adjust the size of the broadcasting services bands as needed to facilitate the realisation of the digital dividend.

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Until such time as the Minister grants an exemption broadcasters remain obligated to provide digital television services in those areas.

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Question No: 8

Hansard Ref: In Writing

Topic: REMOTE SERVICE-DEFICIENT AREAS

Senator Fisher asked:

Can you please clarify what services users in “remote service - deficient areas” will receive after the switch off of analog services in 2013? Will they all receive commercial TV satellite services under the proposed subsection 130ZZB (21)¹ or will some users continue to receive analog services? (page 30 of EM)?

Answer:

On 9 November 2010, the Government announced that \$34 million would be provided to broadcasters in the remote and smaller regional markets to ensure that all commercial digital television multichannels are provided in these markets.

Proposed section 130ZH will require the ACMA to declare, by legislative instrument, a particular area to be a declared ‘service deficient’ area where the number of applicable terrestrial digital commercial television broadcasting services provided in an area (including any digital multichannels provided by commercial broadcasters in the area) is less than the number of commercial television broadcasting services required to be provided by a section 38C licensee under the applicable licence conditions.

The ACMA cannot declare an area to be ‘service deficient’ until three months after switchover, if switchover occurs after the commencement of the Bill, or until 9 months after switchover, if switchover occurred before the commencement of the Bill.

Once an area is declared to be a ‘service deficient’, any viewer in that area will be eligible to automatically access the VAST satellite service to receive the full suite of digital television channels (proposed paragraphs 130ZB(5)(c) and 130ZBB(5)(c) in items 12 and 13 of Schedule 2 to the Bill refer). It will be within the viewer’s discretion as to whether they choose to purchase satellite reception equipment to access the VAST satellite service. Viewers in these areas who do not choose to access the VAST satellite service will still be able to receive the digital television services that are broadcast terrestrially in their area. A declaration by the ACMA that an area is ‘service deficient’ does not relieve the broadcasters in that area from their obligation to provide terrestrial digital television services under the national or commercial television conversion schemes.

After the switchover to digital television in a licence area, no analog television services are authorised to be transmitted in that area.

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Question No: 9

Hansard Ref: In Writing

Topic: EXEMPTIONS FROM DIGITAL CONVERSION REQUIREMENTS

Senator Fisher asked:

We understand that some analog services will continue if a specified area has fewer than 500 people residing in the area, or the specified area is an underserved area? Is that correct? Do the exemptions from having to provide a digital terrestrial service to an “underserved area” (areas that do not have all national and commercial digital channels) provide an unnecessarily broad escape clause for broadcasters who do not wish to incur the cost of installing service infrastructure in remote areas?

Answer:

Existing commercial and national analog television services will continue to be provided for the remainder of the simulcast period, but will not continue after switchover in a licence area. This will be the case even if a specified area has fewer than 500 people residing in the area, or the specified area is an underserved area.

In those communities that are considered ‘underserved’, the Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011 (the Bill) would not automatically provide commercial or national broadcasters with an exemption from converting their terrestrial transmission sites to digital.

A national or commercial television broadcaster may apply to the Minister for exemption from the digital conversion obligations that otherwise apply to a particular analog transmission facility. Broadcasters who have already commenced transmitting digital in an area will not be able to apply to the Minister for an exemption.

The Minister is not required to grant an exemption in any particular circumstance. Rather the Minister’s exemption power is discretionary, having regard to the statutory criteria and the particular circumstances of each area for which an exemption is sought.

Before granting an exemption, the Minister would consult with the ACMA and would need to be satisfied that there are other means by which viewers in the specified area can, or will be able to, access commercial and national television broadcasting services (such as through the VAST satellite service or from another terrestrial transmission facility).

These provisions are intended, among other things, to minimise situations where consumers need to purchase both satellite and terrestrial reception equipment to receive the full range of digital television channels.

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Until such time as the Minister grants an exemption broadcasters remain obligated to provide digital television services in those areas.

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Question No: 10

Hansard Ref: In Writing

Topic: EXEMPTION FROM DIGITAL CONVERSION PROVISIONS

Senator Fisher asked:

There are a number of transmitters licensed to national broadcasters and commercial broadcasters that provide analog TV services to populations of less than 500 people. The digital conversion of these more marginal broadcasting transmitters may not be practical. Licensees and national broadcasters may be exempt in these areas from requirements imposed by the applicable digital conversion scheme (refer submission by Mt Isa to Townsville Economic Zone (MITEZ)) (page 37-39 of EM).

What is the likely minimum timeframe under which the Minister, in accordance with the proposed subsections 9A(2) and 21A(2), will make a determination with regard to exempting a specified area within a licence area from the digital conversion requirements?

Answer:

There is no statutory timeframe within which the Minister will be required to make a determination that an area is an exempt digital transmission area under proposed subclauses 9A(2) and 21A(2) of Schedule 4 to the *Broadcasting Services Act 1992* (see items 47 and 52 of Schedule 2 to the Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011).

The Minister cannot make a determination until a commercial or national television broadcaster applies to the Minister for an exemption. It is expected that the Minister would make any decision on whether or not to grant a commercial or national broadcaster an exemption within a reasonable timeframe following receipt of an application by a broadcaster, noting that decisions about infrastructure roll out need to be made well in advance of switchover. During that timeframe the Minister would undertake appropriate consultation with relevant parties, including the ACMA.

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Question No: 11

Hansard Ref: In Writing

Topic: ISSUING OF SPECTRUM LICENCES AFTER RESTACK

Senator Fisher asked:

Do you consider that all the spectrum licences arising from the restacking of the radio spectrums should commence on the same date or should they be progressively made available as the re-stacking timetable dictates? Will it be possible to complete the re-stacking process by 1 January 2014?

Answer:

Under the *Radiocommunications Act 1992* the ACMA has the discretion to determine the commencement date(s) of spectrum licences.

In October 2010, the ACMA released a discussion paper *Spectrum reallocation in the 700 MHz digital dividend band* seeking comments on when the digital dividend spectrum licences should commence. It set out two main options:

1. set a common commencement date for all licences; or
2. stagger the commencement dates of the licences, permitting bidders to obtain early access to spectrum in areas where restacking is complete.

As the ACMA noted in its discussion paper, each approach has advantages and disadvantages. Submissions to the discussion paper closed on 6 December 2010. The ACMA is considering responses.

The government intends that the digital spectrum be cleared as soon as possible after the switch-off of analog television services on 31 December 2013.

The proposed amendments in the Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011 (the Bill) provides the ACMA with the planning flexibility, streamlined consultation requirements and enhanced enforcement powers they need to perform the complex task of restacking the broadcasting services bands used for television services. The Bill also sets a deadline of 31 December 2014 to implement the restack in a licence area. This day is to be known as the 'designated restack day' for a licence area.

The government is satisfied that the additional powers and more flexible planning arrangements for the ACMA will be sufficient to enable the ACMA to plan and complete the restack by the end of 2014. However, due to the complexity and scale of the restack, it is not expected to be possible to complete the restack earlier than this.

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Question No: 12

Hansard Ref: In Writing

Topic: CRITERIA FOR APPROVING OR REJECTING AN IMPLEMENTATION PLAN

Senator Fisher asked:

What are the criteria which the Minister must consider when deciding to approve or reject an implementation plan to establish a new digital TV service, when a plan is submitted by a national broadcaster?

Answer:

The existing criteria are specified in paragraph 20 (4) of Schedule 4 of the *Broadcasting Services Act 1992* which states that:

(4) In deciding whether to approve an implementation plan under this clause, the Minister must have regard to the following matters:

- (a) in the case of an implementation plan that relates to a coverage area that is not a remote coverage area--whether the implementation plan is directed towards ensuring the achievement of the following policy objectives:
 - (i) the objective that each national broadcaster should be required to commence transmitting the national broadcasting service concerned in digital mode in each metropolitan coverage area on 1 January 2001;*
 - (ii) the objective that each national broadcaster should be required to commence transmitting the national television broadcasting service concerned in digital mode to regional coverage areas (other than remote coverage areas) on or after 1 January 2001 so that all regional coverage areas (other than remote coverage areas) have digital transmission of the service by 1 January 2004;**
- (b) in the case of an implementation plan that relates to a coverage area that is not a remote coverage area--the objectives mentioned in subclause 19(3);*
- (c) in the case of an implementation plan that relates to a remote coverage area--the special circumstances that apply to the transmission of national television broadcasting services in that area;*
- (d) such other matters (if any) as the Minister considers relevant.*

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Subclause 19(3) lists a range of objectives which pertain to digital television conversion. These include:

- that, after the end of the simulcast period for a coverage area, the transmission of a national television broadcasting service in standard definition should achieve the same level of coverage and potential reception quality as was achieved by the transmission of that service in analog mode
- that national broadcasters be permitted to use any spare transmission capacity that is available on the digital transmission channels for the transmission of datacasting services or for the transmission of national radio broadcasting services; and
- that, at the end of the simulcast period for a coverage area, all transmissions of national television broadcasting services in analog mode in that area are to cease.

In addition to these, the Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill 2011 (the Bill) proposes additional criteria the Minister must have regard to, when deciding whether to approve an implementation plan. These additional criteria are outlined in Item 51 of the Bill as follows:

51 After paragraph 20(4)(c) of Schedule 4

Insert:

(ca) whether there are other means by which people in the coverage area to which the implementation plan relates can view an adequate and comprehensive range of:

- (i) commercial television broadcasting services transmitted in digital mode;*
and
- (ii) national television broadcasting services transmitted in digital mode;*

(cb) the extent to which commercial television broadcasting services are being, or will be, transmitted in digital mode in the coverage area to which the implementation plan relates;

(cc) the extent to which national television broadcasting services are being, or will be, transmitted in digital mode in the coverage area to which the implementation plan relates by a national broadcaster other than the national broadcaster to whom the implementation plan relates;

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Question No: 13

Hansard Ref: In Writing

Topic: ELIGIBILITY FOR SATELLITE SUBSIDY SCHEME FOR BUSINESSES AND COMMUNITY FACILITIES.

Senator Fisher asked:

Is the Government going to subsidise the provision of VAST Satellite equipment to non – domestic (household) recipients such as commercial sites, hospitals, etc?

Answer:

The Satellite Subsidy Scheme is currently only approved as a subsidy to households and not to Government buildings (such as schools or hospitals) or commercial premises (such as hotels, motels and shops).

The Government does not subsidise the conversion to digital television in such premises across Australia, whether digital television is sourced terrestrially or from satellite.

In the event that a property is ‘mixed use’, then the subsidy is offered to the residential dwelling or household component of that property (e.g. the unit for a permanent live-in manager of a country motel).

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Question No: 14

Hansard Ref: In Writing

Topic: STANDARD DEFINITION ELECTION PROVISIONS

Senator Fisher asked:

Can the Department clarify whether the measure of providing standard definition digital services into regional areas is an interim measure only? Will the government be providing funding to enable broadcasters to roll out HD channels to these communities in due course?

Answer:

The provisions in the Bill would enable remote commercial broadcasters to provide all of their digital multichannel services in standard definition mode prior to some of them being provided in high definition mode at a later date. The remote commercial broadcasters would need to rollout a third multiplex in order to provide three high definition multichannels plus six standard definition multichannels. This means they may be able to provide the full range of multichannels sooner in standard definition.

On 9 November 2010, the Government announced that \$34 million would be provided to remote broadcasters and broadcasters in the smaller regional and remote licence areas to ensure that all commercial multichannel services can be provided in these areas. While the Bill does not require remote commercial broadcasters to provide some multichannels in high definition mode, broadcasters will be eligible for more funding under this program if they choose to establish a mix of standard definition and high definition multichannels as opposed to only standard definition multichannels.

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Question No: 15

Hansard Ref: In Writing

**Topic: COSTING COMPARISON BETWEEN SELF-HELP CONVERSION TO
DIGITAL AND VAST**

Senator Fisher asked:

Please provide costing comparison (detailing cost to both govt + households) for any community (a) self-helping an upgrade to digital terrestrial, versus (b) digital-to-home via VAST.

Answer:

It is not possible to provide a detailed costing comparison between upgrading an analog self help retransmission site to digital using VAST and a direct-to-home service.

Various claims as to comparative costs were made to the Committee in submissions, but the Department is not aware of the evidence underpinning these costings. However, we understand that lower levels of costs provided to the Committee involve transmission of services using MPEG-4 technology.

As outlined at the hearings, the VAST satellite service is configured for direct-to-home reception. It is not optimised to feed terrestrial retransmission sites. The terrestrial transmission of VAST would be technically complex and while commercial broadcasters are looking at how this can be achieved to provide a signal to their own transmission sites in remote areas, a working on-the-ground solution may take some time to develop. It is therefore not possible to accurately quantify the cost and the timing of the delivery of such a solution at this time.

In any case, cost comparisons are difficult to make because the upgrade and operating cost of terrestrial self-help retransmission facilities is potentially unique to each site, and the costs of installing direct-to-home satellite also vary. For example, the upgrade of a self-help retransmission site might require complete replacement of all broadcasting infrastructure at a site, or it might require only some items to be upgraded if others are already suitable for digital transmission. It might also require replacement or upgrade of electricity supply and air conditioning at the site. Ongoing costs will depend on the level of servicing provided, the time period over which any service contracts operate, and the timeframes for responses. The costs of receiving digital terrestrial signals in homes and businesses will also vary depending on their location, number of receivers and the suitability of their existing antenna arrangements. For example, while some premises may be able to receive digital services with existing indoor antennas, others served by the same terrestrial site may need to modify or install a new external antenna or a high gain antenna with a masthead amplifier.

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The comparison is also not a simple matter of cost. The Government gave extensive consideration to the merits of different options to ensure that all Australians are able to receive the same number of television channels as are available in capital cities.

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Direct-to-home satellite transmission has a combination of features which meet these objectives:

- it is a proven technology with wide take up domestically and internationally
- it is reliable, nationwide coverage with near universal reception including in places where terrestrial is unreliable or unavailable
- it has capacity to add new channels without need for new transmission infrastructure
- it has capacity to provide interactive applications such as the red button local news service offered on VAST; and
- after the initial direct-to-home satellite installation is completed, there will be few if any further costs for households.

Even should a cost-effective, workable solution to retransmitting VAST be provided in the near future, terrestrial self-help retransmission facilities have a number of limitations that do not apply to satellite:

- they impose on-going, and not always predictable, costs on local communities and councils for their operation and maintenance;
- they have an inflexible coverage area which cannot accommodate population shifts beyond the area served by the transmitter; and
- they can be subject to extended disruption to their digital television services when there are transmitter faults where licensees have difficulty accessing spare parts, contracting experienced technicians or meeting the cost of such expenses, particularly when transmitters are located in isolated or remote areas.
- should a terrestrial transmission facility experience a technical fault the whole community would experience disruption to their digital television services. A problem with direct-to-home reception equipment will normally only affect an individual household.

The government recognises that both terrestrial infrastructure and a satellite service are required to provide all Australians with access to the full range of digital television services. It is not physically or economically possible to serve everyone in Australia terrestrially. This means that a satellite service is still needed to ensure that viewers in regional and remote areas can get equivalent television services to viewers in the capital cities.

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Question No: 16

Hansard Ref: In Writing

**Topic: COST-BENEFIT ANALYSIS FOR SELF HELP CONVERSION COMPARED
WITH VAST**

Senator Fisher asked:

Please provide cost-benefit analysis (detailing cost to both govt + households) for any community (a) self-helping an upgrade to digital terrestrial, versus (b) digital-to-home via VAST.

Answer:

See answer to Question 15.

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Question No: 17

Hansard Ref: In Writing

Topic: BREAK-POINT EVEN COST FOR SELF-HELP CONVERSION COMPARED TO VAST

Senator Fisher asked:

Please provide break-even point (or cost-equivalence numbers), considering cost to both govt + households) for any community (a) self-helping an upgrade to digital terrestrial, versus (b) digital-to-home via VAST.

Answer:

For the reasons outlined in question 15, it is not possible to provide a break-even point (or cost-equivalence numbers) between upgrading an analog self help retransmission site to digital using VAST and a direct-to-home service.

**Senate Environment, Communications and the Arts Legislation Committee Inquiry into
the Broadcasting Legislation Amendment (Digital Dividend and Other Measures) Bill
2011**

Answers Questions on Notice

Broadband, Communications and the Digital Economy Portfolio

Question No: 18

Hansard Ref: In Writing

Topic: SELF-HELP CONVERSION AND VAST

Senator Fisher asked:

If the Dept is unable to provide any the above, then on what basis does Govt policy favour one conversion option (namely digital-to-home via VAST) over another (namely self-help digital terrestrial)?

Answer:

The government recognises that both terrestrial infrastructure and a satellite service are required to provide all Australians with access to the full range of digital television services. Government policy does not advocate a preferred method of digital television reception.

As indicated in the Committee hearing, the government has provided substantial support to increase the rollout of digital channels using terrestrial infrastructure in areas including South Australia and Western Australia.

In addition, as outlined by FreeTV Australia and Regional Broadcasting Australia at the Committee hearing, commercial broadcasters have agreed to convert a number of self-help facilities in regional and metropolitan licence areas, and to install additional 'gap fillers' to serve new areas with poor or no terrestrial transmission.

The VAST service complements these activities and recognises that it is not technically or economically feasible to serve all Australians terrestrially.

VAST provides more than a potential conversion path for households currently served by terrestrial self-help facilities. It also provides a reliable and simple conversion path for the many Australian in remote areas of Australia that do not currently, and will not in future, receive their television by terrestrial means. It can also be used to address the needs of viewers in television 'blackspots' across Australia where, for reasons of topography, terrestrial signals cannot reach their premises. Through VAST these viewers will be provided with an alternative source of digital television which has the same range of channels provided in metropolitan and larger regional centres.

The Department provided a range of advice to Government on options for digital television reception including the VAST service. The VAST service represents a cost effective solution to providing viewers in areas not adequately served by terrestrial television with access to the full suite of digital television channels.