



Submission 90

29 March 2006

Office of the Managing Director

Committee Secretary
Standing Committee on Communications,
Information Technology and the Arts
PO Box 6021
House of Representatives
Parliament House
Canberra ACT 2600

Dear Sir

Please find attached SBS's submission to the Standing Committee on Communications, Information Technology and the Arts' inquiry into Community Broadcasting.

Yours sincerely,

Shaun Brown
Managing Director

HOUSE OF REPRESENTATIVES
Standing Committee on Communications, Information
Technology and the Arts

INQUIRY INTO COMMUNITY BROADCASTING

Terms of Reference

The Committee agreed on 19 January 2006 to conduct an inquiry referred by the Australian Government Minister for Communications, Information Technology and the Arts. The Committee will investigate and report on:

- The scope and role of Australian community broadcasting across radio, television, the internet and other broadcasting technologies;
- Content and programming requirements that reflect the character of Australia and its cultural diversity;
- Technological opportunities, including digital, to expand community broadcasting networks; and
- Opportunities and threats to achieving a diverse and robust network of community broadcasters.

SBS is established under the *Special Broadcasting Service Act 1991*. The principal function of SBS is to provide multilingual and multicultural radio and television services that inform, educate and entertain all Australians, and, in doing so, reflect Australia's multicultural society.

In carrying out this function, SBS provides a national multicultural television network and multilingual radio services to all State and Territory capital cities and some regional centres. Its online activities support and extend its television and radio services by giving access to news, sports, cultural, youth and program information.

Community Broadcasting

The government's policy intent in the *Broadcasting Services Act 1992* is that community broadcasting:

- represent the community of interest for which its licence was originally allocated;
- encourage members of the community to participate in operating the service; and,
- that the service is provided for community purposes on a not-for-profit basis.

This reflects the sectors specific charter to the community, its responsibilities and the scale at which the community broadcasting sector operates.

To that extent community broadcasting has an important role to play in the Australian broadcasting industry. SBS recognises that efficient and effective delivery of community broadcasting services is important and is supportive of policies that sustain and add value to the community broadcasting sector. It is also important the economic and efficient use of radiofrequency spectrum be considered, particularly, when considering the conversion of community broadcasting to digital.

SBS notes the increasing fragmentation of the broadcasting sector across many new and emerging technology platforms and that many of these platforms have capacity to enable the expansion of community broadcast activities via non-traditional platforms.

Limited Spectrum

Radiofrequency spectrum is fundamental to, as well as an integral resource for, SBS's business and the provision of SBS services. As a public broadcaster, it is essential that the regulation of spectrum operates to facilitate the most cost effective and efficient way for SBS to deliver its services to all Australians, as required by its Charter.

Spectrum in the broadcasting services bands is a scarce resource and is likely to be so until analogue television services are switched off. SBS believes that even after this spectrum will remain scarce as low power services, self help services and black spot services will all need digital channels at some stage. SBS also believes that the demand for portable and mobile reception will grow requiring additional spectrum for DVB-H type services.

SBS has invested heavily in digital infrastructure and equipment. This includes ensuring that sufficient spectrum is available throughout Australia to enable SBS to meet its public service commitment and deliver interference free, high quality television and radio services.

SBS maximises the use of its digital television spectrum by offering as many services as possible to consumers. On its digital television service, SBS currently provides simulcasts of its main channel service in both standard and high definition formats (as required by legislation), the World News Channel, SBS Essential (an electronic program and information guide), two SBS radio services and program enhancements. SBS currently uses all its 7MHz digital spectrum allocation in delivering these services. In the future, SBS considers that the quality and quantity of services it provides on its digital service will increase demand for spectrum as SBS engages new digital technologies, platforms and audiences. As current digital spectrum is limited, this demand will most likely be met by improvements in compression technologies.

The Government's recent released framework for the introduction of digital radio requires SBS to share a digital radio multiplex with the ABC for delivery of national broadcaster digital radio services. Initial indications are that all the bandwidth available within the single multiplex allocated to the national broadcasters will be required to carry current and planned new services for both broadcasters. Again, demand for limited spectrum is largely expected to be met by improvements in compression technologies.

Whilst there are a number of new compression technologies being developed (eg. MPEG4 and AAC+) SBS considers that actual commercial implementation of these technologies is some way off and that SBS (and other broadcasters) will continue to experience significant bandwidth constraints both in digital television and digital radio (when it commences).

SBS also considers that much of the additional capacity expected to be generated by advancements in compression technology will be absorbed by new services and better quality signals. Indeed, in the post-analogue environment, free-to-air broadcasters may require additional spectrum in the broadcast services bands to meet the needs of future digital services.

Changing technology and the community broadcasting sector

SBS has been supportive of the community broadcasting sector. For over a decade, SBS Radio in particular, has worked co-operatively with this sector and has provided it with program content and training assistance. SBS Radio, a Registered Training Organisation, broadcasts mainly Australian content under its rigorously enforced Codes of Practice.

Changing technology in recent years has enabled the community broadcasting sector to receive program feeds directly by satellite from overseas for re-broadcasting purposes. State-sanctioned overseas-made programs may not be conducive to Australia's multicultural goals of social harmony and commitment to our core values as a secular nation with its democratic institutions. To the extent that community stations re-broadcast those programs, there may be a need for an Australian standard of balance and objectivity to be complied with, to ensure that our long-term interests in internal and external security are not at risk. Many stations within this sector are structured along sectional lines and do not therefore focus on mutual understanding and cohesiveness across culturally and linguistically diverse communities.

SBS believes that the codes of practice applying to the community broadcasting sector should more adequately reflect and enforce the need for balance and objectivity noted above.

Transition to digital

SBS notes the Government's policy commitment to develop an appropriate framework for the transition of community broadcast services to digital including the option for community broadcasting services to be 'a must carry' requirement on the spectrum reserved for the allocation of datacasting licenses or new digital services. SBS also notes the Department of Communications, Information Technology and the Arts report into the "Future of Community Television" (June 2002) which concluded that an immediate or short term transition to digital transmission for the community television sector was not necessary.

Given that digital conversion remains an ongoing process across the broadcasting industry, the future conversion of community broadcasting services to digital must also be considered in light the framework announced for the introduction of digital radio released by the Minister for Communications, Information Technology and the Arts on 14 October 2005 and the recent proposals put forward in the Minister's discussion paper on media reform options, released on 14 March 2006 (in particular, the new services proposed for the datacasting channels).

Special Broadcasting Service March 2006