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Official Committee Hansard

**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON COMMUNICATIONS,
INFORMATION TECHNOLOGY AND THE ARTS

Reference: Community broadcasting

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HOUSE OF REPRESENTATIVES

**STANDING COMMITTEE ON COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE
ARTS**

Wednesday, 16 August 2006

Members: Miss Jackie Kelly (*Chair*), Ms Owens (*Deputy Chair*), Mrs Bronwyn Bishop, Mr Garrett, Mr Hayes, Mr Johnson, Mr Keenan, Mr Laming, Mr Ticehurst and Ms Vamvakinou

Members in attendance: Mr Hayes, Miss Jackie Kelly, Mr Laming, Mr Ticehurst and Ms Vamvakinou

Terms of reference for the inquiry:

To inquire into 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.

WITNESSES

HARRISON, Ms Michelle, Project Manager, National Indigenous Television Committee 1
**JOHNSON, Mr Peter Andrew, Committee Member, Australian Indigenous Communication
Association representative, National Indigenous Television Committee 1**

Committee met at 9.10 am**HARRISON, Ms Michelle, Project Manager, National Indigenous Television Committee****JOHNSON, Mr Peter Andrew, Committee Member, Australian Indigenous Communication Association representative, National Indigenous Television Committee**

CHAIR (Miss Jackie Kelly)—I declare open this public hearing of the House of Representatives Standing Committee on Communications, Information Technology and the Arts inquiry into community broadcasting. The inquiry arises from a request to this committee by Senator the Hon. Helen Coonan, the federal Minister for Communications, Information Technology and the Arts. Written submissions were called for and 128 have been received to date. The committee is now conducting a program of public hearings and inspections. This hearing is the eighth of the inquiry.

Although the committee does not require you to give evidence under oath, I should advise you that these hearings are formal proceedings of the parliament. Consequently, they warrant the same respect as proceedings of the House itself. It is customary to remind witnesses that giving false or misleading evidence is a serious matter and may be regarded as contempt of parliament. Do you wish to make a brief statement in relation to your submission or make some introductory remarks?

Mr Johnson—The first thing I would like to re-emphasise here is that this is not your average funding program because this is not your average television network. The establishment of National Indigenous TV is both an important symbol and an incredible tool. When it is up and running, NITV will provide quite a distinct service in tone and manner, based on centuries—millennia—of powerful community feeling. By now, everybody knows that the Australian Indigenous tradition stretches way back into a past replete with mystery and powerful belief.

In those days, this heritage and these communities were widely scattered around this vast island, so the opportunities to meet and exchange views and knowledge and to share beliefs and needs face-to-face were limited. Nevertheless, the Indigenous sense of community and interdependence was very strong. It is this sense of community which will characterise the programming and policies of NITV. It will enable Indigenous communities everywhere to meet face-to-face in a very personal way. People will be able to share problems, opportunities and stories in a way undreamed of even 10 years ago. Of course, the Australian community is no longer wholly indigenous. In fact, Indigenous people find themselves surrounded by folk from everywhere around this planet, a situation that has developed in a fraction of the time that those original Australians lived here.

As islands of Indigenous heritage in a sea of multicultural variety, NITV sees two great opportunities. The first is the exchange of experiences between all Indigenous peoples in the land and the ability to discuss similarities and differences arising from the incredibly diverse nature of the Australian continent. Even now, Indigenous groups from hot, cold, tropical and temperate zones have greater opportunities to join in social, cultural, philosophical and sporting events in a way unimaginable in recent history. Of course, this is a phenomenon enjoyed by all Australians of all backgrounds, as it derives from a continuing technological revolution that is opening up all communities to all others.

That of course is our second great challenge and one of the great opportunities created by NITV. Not only does it open up Indigenous communities everywhere to each other, it opens up a fantastic opportunity to interact with the rest of Australia as a whole, as do the myriad of cultural and interest groups which make up our exciting and diverse population. In a similar way to SBS and the Channel 31 network, NITV has the opportunity to reach a much wider audience and to play a significant, positive influence in the cultural tapestry of modern Australia.

While heavily criticised, even reviled, by some at the time of its establishment, SBS has become an integral element in contemporary entertainment and information. SBS opened the eyes of many Anglophones to the delights of European, Asian and African movies, cuisine, music and culture. SBS has done much to transform a meat and two veg society into the pulsing, vibrant society that much of the world envies beyond imagining. In a similar way, C31 opened up the airwaves to many Australians under-represented in mass media. All of a sudden, an incredible spectrum of views, needs, entertainment and problems were being presented by people with an equally incredible diversity of politics, religion, humour, gender issues and entertainment. These community access points could articulate previously unheard messages.

One possibly surprising outcome was that aspects of this diversity rang bells in the wider community, which came to realise that the offerings of the major commercial networks and the ABC did not—and could not—meet all of their requirements. SBS and Channel 31 have built smaller but highly enthusiastic and dedicated audiences. Programs and personalities are regularly taken up by the majors as they recognise this wider interest in the general communities. Did Rove McManus and his team expect to become major mainstream personalities when they first hit community TV? Did SBS really understand how they would take ‘wogball’ outside the sitting rooms of fans who grew up in other countries and make soccer a major Australian sport? Whether they realised these things or not, they happened, and we believe that similar influences and careers will be generated by the chance NITV will give people to perform, discuss, complain, entertain, question and investigate the society we all live in. There is no way to predict exactly where, when or how these people will appear and exactly what they will do, but we know it will happen—and all Australians will be richer for it.

A very real parallel for NITV is Channel 31. Not only was there the opportunity for talented, interesting and intelligent people to have a forum to entertain and to educate an audience—an opportunity mainstream TV would never have had the time or resources to develop—it has given many people the skills to produce, promote, record, shoot and do wardrobe, make up and all the myriad tasks required to put a television station to air and to keep it there. Many of these people have gone on to rewarding careers in mainstream media. Many others prefer to stay with community television for the sense of achievement it offers and the niche programming it allows. That is why we strongly believe and assert there is a natural marriage—or at least a long-term live-in relationship—possible between C31 and NITV.

C31 is about minority issues; NITV is about minority issues. C31 is about exposing minority views, problems and aspirations to both its minority interest audiences and to the wider community. Thus, in Australia’s major metro areas which are already served by C31, it makes sense to us to promote and pursue this union. This lines up with our view that NITV, as a fully-fledged government licensed broadcast service, should be provided with the same digital spectrum access as the other mainstream broadcasters. This also delivers the opportunity to be a channel multiplexer, providing digital carriage for the local community broadcasters. Thus, they

continue to get spectrum free of charge, precluding the need for them to spend huge sums on technical digital infrastructure. So who gets what? In this model, which is proposed in our submission to your committee, NITV is a landlord rather than a tenant and gets a national metro signal guaranteed for a yet-to-be-defined period every week. C31 gets the spectrum it needs to continue independent of the majors. NITV wins, C31 wins and the community wins—everyone wins.

Imparja has already deployed a satellite-delivered remote community sustaining service, ICTV, as part of its remote satellite delivery platform. This is used to deliver Indigenous programs, education, health and community information, and Indigenous sport, all of which are rebroadcast by the participating RIBS—Remote Indigenous Broadcasting Services. Under a \$1.8 million scheme administered by the Community Broadcasting Foundation, analogue transmitters are being deployed in up to 144 Indigenous communities as we speak.

In the cities, the setting up of a national Indigenous television service offers a potential vehicle for the digital delivery of both community and Indigenous television. Our submission proposed a solution which will provide NITV with capital city digital transmission, provide similar capability to the capital city community channels and provide NITV with a potential revenue stream which could complement the ongoing government funding required.

As an example, the corporate world spends millions of dollars every year to provide national broadcasts to their specific audiences. This presents an income stream potential for NITV that would allow for an increasing self-funding, another step towards Indigenous financial independence. Treating NITV in the same way as other government funded broadcasters would see it provided with its own seven megahertz digital terrestrial channel. This would provide the capacity for up to four SDTV multichannel services and/or a number of innovative datacast services. As well as carrying its own content, NITV could act as a channel multiplexer to provide digital carriage of the local community broadcaster as well as significant capacity for innovative narrowcast, broadcast and datacast services. As the technology now allows, no longer will free-to-air television be the sole privilege of those with big chequebooks.

Many mass media collection points are available. This grows every day. Internet and cable users see this development every day. Free-to-air will still have its place and, for the majority of people who cannot afford pay TV or high-speed broadband internet for television delivery, free-to-air is unlikely to be used or needed less.

On a purely philosophical basis, participation equals positive engagement. One of NITV's important aims is to be inclusive, not exclusive. While our primary concern is for the welfare and increasing wellbeing of Indigenous people, we also aim to build bridges. The better people understand each other, the more readily they relax and join in with each other. This clearly has been shown by SBS and C31. Now that role can be seen as an important aspect of NITV.

While it is early days, we see many possibilities of drawing members of the total community into Indigenous activities and programming, as partners, pupils and participants. This is a very exciting prospect. After all, in the face of a tough world and a very regrettable history, we are very much about bridge building. Everybody needs to come out from behind their walls and be made welcome in everyone else's backyard.

With the funding of NITV now a reality, we warmly believe this small step towards a united community television service will be a major step towards national reconciliation. We have been talking about it a lot and a fair bit has been started. Now, NITV can help us all get the job done.

We could talk a lot about funding, whether it is enough, too little or whatever. We do need to get a commitment on paying for the necessary new digital transmitter networks and we clearly must rely on government to join us in this bold leap forward. That is what governments do. They assess and address the needs of all Australian communities and assist them to thrive alongside each other, fostering their common aims and understanding their individual customs.

Current technology has presented us with a fascinating and vital opportunity. We feel that we are obligated to grasp this opportunity and make the absolute most of it, on the way to a richer, more peaceful and mutually satisfying future.

CHAIR—Thank you, Peter. You have to understand that everyone who has come, including the community, wants seven megahertz. Given that one SD channel would probably just want two megahertz, can you elaborate on how you see yourself going forward?

Mr Johnson—In this model that I have presented today and we presented in the original paper, we would be the overall service; that is, NITV would contain other channels that community television, corporate television and datacasting services would be able to use under or independent of that banner.

CHAIR—Out of your seven megahertz, would you broadcast one SD Indigenous channel, based on Imparja's content, or would you start collecting content generally?

Mr Johnson—There would be an enormous push for content from all over the country, from the back catalogue, from new material and also from what is currently broadcast through C31 on Imparja, their B channel. So it will be a combination of what is currently done and what is new material.

Ms Harrison—The intention is that a considerable amount of the \$48.5 million announced by Senator Coonan will go towards content production. That would be the basis of NITV's production capacity.

CHAIR—Where is that funding for a national transmitter network coming from? That is not in the \$45 million?

Ms Harrison—No. NITV's submission to a number of inquiries, including the datacasting allocation inquiry and the digital and media reform inquiry, was that NITV could be in a position, as a channel multiplexer, to carry other community based or similar services, such as community television. I also understand there is a submission from the Australian Children's Television Foundation that there be a children's channel. So there will be other public interest channels—

Mr HAYES—So it is not just limited to community television.

Ms Harrison—I suppose the suggestion is that it would be a community interest multiplex that would be supported by the government.

CHAIR—Do you think that we could do a must-carry on ABC or SBS?

Ms Harrison—Yes. That is one of the alternatives that we put in: we would be on someone else's multiplex and could be a must-carry.

CHAIR—In that case, you do not need seven megahertz, you need—

Ms Harrison—One of the channels, that is right. But what we were thinking, I suppose, was that there are a number of groups who would be interested in being part of any community multiplex.

CHAIR—But the government will have to fund 100 per cent of the cost of that multiplex. Could those groups get together and run that multiplex the way community television runs at the moment with their general fundraising, or is the cost barrier too high?

Ms Harrison—I think the cost would be quite high, but I am sure that the groups would be interested to get together to discuss that.

CHAIR—Channel 31 manages it.

Ms Harrison—If they were allowed, for instance, to retail some of the space that they had, then there would be opportunities for income production there.

CHAIR—Retail it to whom?

Ms Harrison—To other users that might be interested.

CHAIR—Community users, not commercial users?

Ms Harrison—How that could operate would be a discussion that we would have to have with the government at the time of any licensing arrangements. No-one here has sat down and worked out any figures or made any agreements with one another. We are just simply putting an aspiration.

CHAIR—I think most of you at the moment have got a pricing from Broadcast Australia, which just seems to be going up and up.

Mr Johnson—Yes.

CHAIR—So obviously Broadcast Australia is not a way forward for community TV?

Mr Johnson—No. It would be lovely to have something independent of them.

CHAIR—The next cheapest option for government would be SBS or ABC. What is wrong with that?

Ms Harrison—They may or may not be interested in carrying an additional service. That is one of our options. If, in the first instance, we were not to be allocated a multiplex of our own, we would ask that we be a must-carry on someone else's or we be given a channel and the government then support us to pay for that channel on someone else's.

CHAIR—Looking 10 years into the future—say in 2016—how much of your content production do you see being HD?

Ms Harrison—At the moment, we are only funded for four years, and we will be reviewed at the end of four years.

CHAIR—In terms of Imparja and any production that is currently happening, do you see anyone's forward plan in terms of buying HD capture TVs?

Mr Johnson—Currently in the commercial television area, there is so little.

CHAIR—A division has been called. We are going to have to come back.

Proceedings suspended from 9.28 am to 9.44 am

CHAIR—We are resuming this hearing as a subcommittee. Before we left to attend the division, you were giving the committee some funding options.

Mr Johnson—One of the options we are certainly interested in looking at is that if we become, as I said, the landlords rather than the tenants then perhaps we can have other income streams. Corporate Australia spends a lot of money on broadcasting nationwide. If we were to have that commercial ability—this does take us outside of the community realm, I understand—that would provide an income stream.

CHAIR—I think we have ruled out the fourth commercial station, haven't we?

Mr Johnson—It is not a commercial station. For example, there are corporations that spread their corporate message to their own employees that are not an open-caste system. They are specific to live broadcasts around Australia. National Australia Bank broadcast twice a week to all their employees right around the country and they pay hundreds of thousands of dollars a week to do that.

Mr HAYES—How do they do that now?

Mr Johnson—I think they go up via Telstra.

CHAIR—So they go as a broadband?

Mr Johnson—Yes. Now that is one income stream that we could access if we were to be allotted the seven megahertz. We could service that corporation and many others. That would make us a little more independent, which is obviously desirable.

CHAIR—So you do not like the old model of the five-minute sponsorship per hour? You do not think that is a viable model?

Ms Harrison—NITV at the moment are intending to operate as an open narrowcaster, so we are able to carry advertising and the intention is that we would. In terms of our own channel, that is something we will do from day one. Of course, we know from the history of SBS that it takes quite a long time to build up any kind of true income base from carrying advertising; however, that is certainly something we will do from day one.

In terms of a multiplex, or a discrete channel of our own on someone else's multiplex, we would still intend to operate in that way. But I think, as Peter is saying, if we were to have carriage of the multiplex ourselves, there would be other ways, apart from carrying sponsorship and advertising, to have income streams. The other reason we propose this is that community channels are not allowed to be a national network of their own, whereas NITV aspires to be a national service. Therefore, it makes more sense that someone who can be national would have contracts with other smaller companies around Australia. If we were, for instance, carried on a community channel multiplex, we would have to make a contract with every single individual community channel to get carried and each of them might want to have different conditions on what we could show, so we could not be the true national service we aspire to be. Logic dictates that if that option were available—that there was a public interest kind of multiplex—NITV would be in a position to be a national carrier and therefore could operate with the community television channels.

CHAIR—At the moment there are two spare stations. It is proposed that one be auctioned for datacasting. Do you think that should not go ahead and you should have that spectrum? Or do you think government should maintain that other spectrum for future hand-held TV devices or whatever else is coming along—all these future demands for spectrum? Or do you think government should go ahead and auction off one piece and then give that to you for future community use?

Mr Johnson—Government could go ahead and auction off the first one and we could have the second one, because we are based in the community. Our imperative is not to make money; our imperative is to communicate. If we can have that other spectrum and share it with all the community users, then that is—

CHAIR—How does that share operation work? Would you have a call on it? Would you be the coordinator of it? Would you pick and choose which community TV in that area you would broadcast? Would you select the channels, or would the government tell you which one you are going to carry?

Mr Johnson—I think we would have to undertake a whole survey on how that would work. I think that we would be the carrier for our own service, NITV. That is the first important principle. As I said in the address, we would accommodate any other services we could attach to that and let them exist as they do now, only on a national basis.

Mr TICEHURST—Have you established a business plan for how you propose to operate?

Ms Harrison—We have a business plan just for NITV, which is due to be delivered in the first week of October. We have not, of course, developed a business plan for the models that we have proposed. These are only proposals that we are making at this stage.

Mr TICEHURST—So do you have any idea of how many transmitting sites you are looking at, what sorts of costs you are looking at?

CHAIR—You have a business plan, a technical plan, a programming paper and a location options paper all coming forward. Are they all going to come forward in October?

Ms Harrison—Yes.

CHAIR—So they will all be available at the same time?

Ms Harrison—Yes, because they all feed into the business plan.

CHAIR—So probably the technical plan would answer your question, Ken, in terms of broadcasting facilities and transmission options. Would you have prices attached to those?

Ms Harrison—The planning is only for NITV's operation as it stands now. We are in the implementation phase. We do not have technical plans in place for these proposal options that we have put up.

Mr TICEHURST—What are you actually doing now?

Ms Harrison—We are in NITV's implementation phase. We have all our planning underway. We have a constitution developed; it is almost in final draft stage.

Mr TICEHURST—So the implementation phase now is just preparing the business plan, is it?

Mr Johnson—That is right. We look to have those by the end of October. We have consultants working for us to be able to develop those plans.

Mr HAYES—But you are rolling out transmitter bases now?

Mr Johnson—That is on the narrowcast service. That is currently going out across Australia through the Community Broadcasting Foundation, which was a specific grant to enable that reach into distant communities.

Mr HAYES—How does that sit with where you see this business plan taking you? Is that at odds with setting up and operating the analogue service presently? I know there is going to be a huge transitional cost in moving towards digital. Does your business plan phase that in? How do you look at it? When you talk about seven megahertz in terms of delivering four multichannelled stations, if the bulk of your network is still operating on an analogue system, you are not going to be able to factor that into your business plan for some time.

Mr Johnson—Once we get to the point of being a metro broadcaster and using Imparja's services for the Top End and that area, I think the plan—and I am not an engineer—is to be able to broadcast to those areas as a feed that will then come from digital and go out as analogue to those local communities. That is where we will use the BRACS community in the outback regions to be able to spread that service at a community level and as narrowcast. It does not need to be digital.

Mr HAYES—In terms of servicing your core function, will you still be doing that by analogue transmission?

Mr Johnson—In the outback, yes. In the cities and metro areas, however, it will need to be digital.

Ms Harrison—At the moment we have only been funded for four years, on an option that was determined from a review through the minister's office. That does not include any transition to digital; it is simply to operate for four years. That is the funding that we have been informally allocated. Once we deliver our constitution and business plan, we expect those funds to be allocated for the service to operate. It has not allowed for any future after the four years. It has not allowed for a digital transition.

CHAIR—That is standard. We fund for four years. When you set up something like SBS or ABC, it is only funded for four years. The ABC is only funded for the next four years, and then it is going to stop? Please! That is just the way forward funding works.

Mr Johnson—Yes, but we have also come at a time when this whole technological revolution is happening. The questions of digital and analogue are something we are also grappling with. At the moment one of our priorities is to get production underway and to get Indigenous training underway so there can be Indigenous people operating this service. How it goes out is still part of our business plan, but it will only be a proposal.

CHAIR—So you are going to spend more than \$10 million a year just on content and hope it goes out?

Mr Johnson—No. We do not know what the ratio will be, but we suggest that a high part of it—and I understand the minister wants to see this—will be in production.

CHAIR—Content production?

Mr Johnson—Yes, content production.

CHAIR—And then you would just rely on piggybacking on Imparja, like a community station, somehow trying to get on wherever you can and to get as much free transmission coverage as you can?

Mr Johnson—I hope it will be something a lot more formal than that.

CHAIR—But you are not putting aside any of that 12-point-whatever million for transmission?

Mr Johnson—There is a business plan and a whole model being developed by expert consultants to advise us on the best way to go. We have no position on that at the moment.

Ms Harrison—Imparja's second channel, which is the ICTV Indigenous community TV channel, only reaches about 25 per cent of the Indigenous population. Of course, we would like to reach the other 75 per cent who live where the non-Indigenous population lives. So we are looking at options such as going on each individual community television service. We are also going to look at subscription television as a possibility for getting us to the whole of Australia. This group does aspire to have a national service and to find a way to do that within this four years. But these submissions are about that time after the four years.

CHAIR—I suppose it would be worthwhile getting you to come back in November, when you have all those in. It is all just a bit fuzzy at the moment, isn't it. So the seven megahertz is just a spectrum grab?

Ms Harrison—As Peter just said, the position is that these inquiries are happening now. The group does aspire to be an ongoing, long-term service. We have seen the success of Maori TV, and APTN in Canada. They have grown audiences, they have grown the services; they are doing extremely well. This group would hope that NITV would be in a similar position at the end of the four years to keep going and to expand. Because these inquiries are happening now, we need to let you know that this group is aspirational and wants to keep going.

CHAIR—Peter, in the directions the committee members have given to those formulating the business plan—you have given them the budget of \$12 million a year and said that has to include content and broadcasts—

Mr Johnson—Yes.

CHAIR—So they are obviously going to be coming up with some really cheap options of broadcasts—say, just on analog at the moment and for the next four years. Then obviously there would be a ranking—if you had more money you could do this and if you had more money you could do that. If you get this much sponsorship in your first year, you could do this and if you managed to get more government funding or a commercial deal—NAB or something—you could do this.

Mr Johnson—That is right.

CHAIR—So there is going to be a budget bottom line—

Mr Johnson—Based on the allocation that the government has committed now. We are also, obviously, looking at building relationships with the pay TV networks and there are some advanced discussions going on there—the potential offer of one channel, the potential offer of a community channel. There are options available to us. I have no doubt that in the very near future we will have a button to push or a plug to plug in. The aspirational tone is that we would like to have some ownership of that to give us some Indigenous independence. We would like to be the landlord rather than the tenant. I think that is a desirable way to go. But that is beyond the four years we are currently looking at. If we can set up in the first place and head along that way—terrific. But I think that leans to another address by government in terms of financing. We

are clear on that, too. The modelling we are doing at the moment is based on what has been allocated.

CHAIR—Can you come back in November?

Mr Johnson—We would certainly like that opportunity.

CHAIR—We are looking at having this report ready for early next year. Knowing where you are going, I suppose, is fair. For any of the options you come up with—if you had the community must-carry obligation or you got the multiplexers or if you got the seven megahertz you could do this, this and this and have a commercial existence and you could therefore carry communities for X dollars cheaper than Broadcast Australia or SBS or ABC—the pricing stuff and cost to government becomes really valuable.

Mr Johnson—That is right. We are certainly in hot pursuit of being able to answer those questions ourselves just to see what the future really is. By November, when our consultants have developed these business plans—which is key to what we are doing—we would love to come back and say, ‘Okay, these are the options. What do you think?’

CHAIR—Yes. Hopefully you will have a few price tags on that, which will obviously influence some of the recommendations we make for the future of community broadcasting.

Mr Johnson—Excellent.

CHAIR—I think we will leave it there for today.

Resolved (on motion by **Mr Hayes**):

That this committee authorises publication of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 10.00 am