



# Submission to the House of Representatives Standing Committee on Communications, Information Technology and the Arts Inquiry into Community Broadcasting

March 2006

## **EXECUTIVE SUMMARY**

The Australian Communications and Media Authority (ACMA) is responsible for the regulation of broadcasting, radiocommunications, telecommunications and online content.

The framework by which ACMA regulates the broadcasting sector is set out in the *Broadcasting Services Act 1992* (BSA). Community broadcasting services are one of the service categories provided for in the BSA. Other service categories include commercial and subscription broadcasting services, and open narrowcasting services.

Among other things, the BSA sets out:

- arrangements by which ACMA plans the availability of spectrum for broadcasting services, and allocates broadcasting licences; and
- broadcasting services licence conditions.

The BSA recognises the role of community broadcasting services in encouraging a diverse media environment. The current regulatory arrangements have enabled the development of the wide range of community radio services currently operating in most areas of Australia, and the provision of community television in several areas.

This submission provides information about:

- the scope and role of the Australian community broadcasting sector, through a summary of the sector's key characteristics, history and composition;
- how the regulatory framework provided for by the BSA serves to encourage content and programming by community broadcasting services that reflect the cultural diversity of Australian communities; and
- challenges faced by the community radio and television sectors, as summarised below.

ACMA recognises the development of non-spectrum based technologies to provide broadcasting, or broadcasting-like, services, and their significant uptake. ACMA also recognises that such technologies may provide opportunities for the provision of broadcasting, or broadcasting-like, services to communities without relying on traditional spectrum-based means. However, as non-spectrum based technologies fall beyond the scope of the existing regulatory regime for broadcasting services, they have not been addressed in this submission.

### **Community radio**

Community radio services currently operate in most areas of Australia, with a range of special interest services in the larger markets and general interest services in many of the smaller markets.

In the past, rapid expansion of the community radio sector was encouraged by the ready availability of vacant frequencies for trials of new services. However, the completion of licence area planning and allocation processes means that opportunities for further community services in metropolitan and major regional markets are limited due to spectrum congestion.

Recent amendments to the BSA provide for increased ACMA powers to refuse to renew community licences, or to renew them for a changed community purpose.

These reforms may increase pressure on existing services to accommodate emerging community demand at a time of reduced opportunities for new licences, though this potential is still largely untested.

### **Community television**

Permanent community television services operate in four capital cities, and trial services operate in three other areas. Further analog community licences or trials are precluded in most major population centres because no analog channels remain following planning for digital television. Community television operators face significant financial pressures due to high transmission costs.

While the BSA sets out regulatory requirements for the migration of commercial and national television services to digital, current legislation does not provide a conversion path for community television. The Government has recently indicated that this issue will be considered in the context of its media reform proposals.

# Table of contents

Executive summary.....	1
Table of contents .....	3
1 Introduction.....	4
1.1 ACMA’s role in regulating broadcasting.....	4
1.2 Characteristics of community broadcasting services.....	4
2 The Community Broadcasting Sector .....	5
2.1 Community radio .....	5
2.1.1 History of community radio in Australia.....	5
2.1.2 The current community radio sector.....	6
2.1.3 Survey of the community radio sector.....	6
2.1.4 Issues arising from the limited availability of analog spectrum.....	7
2.2 Community television .....	7
2.2.1 History of community television in Australia.....	7
2.2.2 The current community television broadcasting sector.....	8
2.2.3 Availability of spectrum for community television services.....	8
2.2.4 Transmission cost pressures facing CTV operators.....	8
2.3 Remote indigenous community broadcasting services.....	9
3 The Community Broadcasting Licensing Regime.....	9
3.1 Community broadcasting licences .....	9
3.2 Temporary community broadcasting licences .....	10
3.3 Community television trials.....	10
3.4 Non-broadcasting services bands community broadcasting licences .....	11
4 Content and Programming.....	11
4.1 Codes of practice .....	11
4.1.1 The Community Broadcasting Codes of Practice (Radio).....	12
4.1.2 Community Television Code of Practice.....	12
4.2 Compliance with licence conditions and codes of practice .....	13
5 Digital Technology Issues relating to Community Broadcasting Networks .....	13
5.1 Digitalisation.....	13
5.1.1 Community radio .....	14
5.1.2 Community television.....	15
Attachments.....	15
1. Planning and licensing of community broadcasting services .....	15
2. Community Broadcasting Codes of Practice (radio), October 2002 .....	15
3. Community Television Code of Practice, September 2004.....	15

# 1 Introduction

## 1.1 ACMA'S ROLE IN REGULATING BROADCASTING

The Australian Communications and Media Authority (ACMA) is Australia's regulator for broadcasting, the internet, radiocommunications and telecommunications.<sup>1</sup>

ACMA's role in relation to the broadcasting sector is set out in the *Broadcasting Services Act 1992* (the BSA).

Under the BSA, ACMA manages the technical planning and availability of radio and television channels in the broadcasting services bands (BSBs)<sup>2</sup> of the radiofrequency spectrum and has the power to allocate, renew, suspend and cancel licences to operate broadcasting services.

ACMA is also empowered under the BSA to develop program standards relating to broadcasting in Australia, investigate complaints about services and conduct research into community attitudes on programming matters. While ACMA is responsible for ensuring that broadcasting service providers comply with the BSA, licence conditions, standards and codes of practice, ACMA takes a co-regulatory approach by encouraging broadcasting services providers to be aware of community standards and take as much responsibility for the regulation of their own operations and programming as possible.

## 1.2 CHARACTERISTICS OF COMMUNITY BROADCASTING SERVICES

Community broadcasting services are one of the six broadcasting service categories provided for in the BSA. Although some community or special interest groups may be represented by licensees operating other categories of broadcasting services, community broadcasting services are defined by the *requirement* that they be provided for community purposes.

Section 15 of the BSA defines community broadcasting services as being broadcasting services that:

- (a) are provided for community purposes; and
- (b) are not operated for profit or as part of a profit-making enterprise; and
- (c) that provide programs that:
  - (i) are able to be received by commonly available equipment; and
  - (ii) are made available free to the general public...

The key distinguishing features of community broadcasting services, as set under section 15 and other sections of the BSA, are that they:

- are not operated for profit, or as part of a profit-making enterprise (s.15);
- are provided for community purposes (s.15);

---

<sup>1</sup> ACMA was created on 1 July 2005 by the merger of the former Australian Broadcasting Authority (ABA) and Australian Communications Authority (ACA). The ABA had responsibility for community broadcasting matters. Some of the documents attached to this submission were prepared by the ABA prior to the merger and refer to the ABA rather than ACMA.

<sup>2</sup> The 'broadcasting services bands' means that part of the radiofrequency spectrum designated as being primarily for broadcasting purposes. The broadcasting services bands are discussed in more detail in section 3.1 of this submission.

- represent a community interest (s.80);
- comply with the community broadcasting codes of practice (s.123);
- encourage members of the community served to participate in the operations of the service and the selection and provision of programs (Schedule 2, Part 5, 9(2)(c));
- are prohibited from carrying advertising, but may broadcast up to five minutes (radio) or seven minutes (television) of sponsorship announcements per hour (Schedule 2, Part 5, 9(3)(a) and 9(3)(b)); and
- must continue to represent the community represented at the time the licence was allocated (Schedule 2, Part 5, 9(2)(b)).

The Explanatory Memorandum to the Broadcasting Services Bill distinguishes community broadcasting services from other types of broadcasting services as follows:

*Community broadcasters have different goals from commercial and national broadcasters. Community broadcasters differ from other broadcasting services in that they have a local focus and role in attracting community participation in broadcasting. This community participation is a crucial element which must be satisfied in order to qualify for the grant of a community licence....*

*[Community broadcasting] adds to diversity of ownership and programming by reflecting a different range of views, priorities and institutional pressures...*

## **2 The Community Broadcasting Sector**

### **2.1 COMMUNITY RADIO**

#### **2.1.1 History of community radio in Australia**

During the early 1970s, the Australian Broadcasting Control Board (ABCB), the government agency responsible for planning and licensing commercial radio services, issued experimental licences to universities and groups broadcasting classical music. These services operated as FM services because there was initially little demand for commercial FM radio stations in Australia.

In 1972, the ABCB recommended the introduction of FM public broadcasting stations. These stations were to be non-profit, available to the general public and cater for special interest groups. This led to the introduction of the *Broadcasting and Television Act 1976*, which provided for a radio industry comprising three sectors—national, commercial and public. Public broadcasting stations were classified as community, educational or specialist interest services. Category ‘E’ licences were issued to educational bodies, category ‘C’ licences to community groups covering a particular geographic area, and Category ‘S’ licences to groups providing special interest programming such as music, sport, religion or politics.

The BSA introduced the current community broadcasting licensing regime (discussed in section 3 of this submission) and removed the distinction between geographic-based community and special interest public broadcasting services.

### 2.1.2 The current community radio sector

ACMA maintains lists of licensed community radio, community television and temporary community radio broadcasting services on its website.<sup>3</sup> The lists show current licences by state, service area, licensee, community of interest, start date and licence expiry date.

The total number of current community radio broadcasting licences is 358, comprising the following distribution among states:

State	No. of licences
ACT	6
NSW	97
NT	40
QLD	79
SA	29
TAS	12
VIC	56
WA	38
External territories	1

There are also 36 current temporary community broadcasting licences (TCBLs). Nine TCBLs operate in NSW, 2 in the Northern Territory, 9 in Queensland, 3 in South Australia, 1 in Tasmania, 6 in Victoria and 7 in Western Australia.<sup>4</sup>

### 2.1.3 Survey of the community radio sector

In August 2005, ACMA released a report on key aspects of the community radio broadcasting sector, including details about programming, program sources, finances, staffing, volunteers and subscribers.

The report, which was prepared by the Communications Research Unit of the Department of Communications, Information Technology and the Arts (DCITA), was based on data for the 2002-2003 financial year collected from community radio broadcasting licensees by the Community Broadcasting Association of Australia (CBAA). The report is available on ACMA's website.<sup>5</sup>

---

<sup>3</sup> Lists of licensed community broadcasters are available at [http://www.acma.gov.au/ACMAINTER.65640:STANDARD:1672144420:pc=PC\\_90042](http://www.acma.gov.au/ACMAINTER.65640:STANDARD:1672144420:pc=PC_90042)

<sup>4</sup> One TCBL operates across the NSW and Victorian border and has therefore been counted twice.

<sup>5</sup> *Survey of the community radio broadcasting sector 2002-03*, Australian Communications and Media Authority, 2005, [http://www.acma.gov.au/acmainterwr/\\_assets/main/lib100068/ctyradiobroadsurvey.pdf](http://www.acma.gov.au/acmainterwr/_assets/main/lib100068/ctyradiobroadsurvey.pdf)

#### **2.1.4 Issues arising from the limited availability of analog spectrum**

Since the commencement of the BSA, the community radio sector has significantly expanded, as have the national, commercial and narrowcasting radio sectors. In May 2003, the ABA documented this expansion in the publication *Making Waves: the growth of radio in Australia 1992-2002*.<sup>6</sup> As a result of this expansion, spectrum availability for both AM and FM radio services is very limited, particularly in capital cities and major regional areas.

In this environment of limited availability, demand for spectrum by community broadcasters remains strong. Demand exists both from community groups that do not currently have a service of their own, and from sub-groups within communities that may not be able to obtain adequate access to an existing licensed service.

The legislative framework and processes followed by ACMA in planning and licensing community broadcasting services is described in Attachment 1. Amendments to the legislative framework, which took effect from December 2002, increased ACMA powers to refuse to renew community licences, or to renew them for a changed community purpose. The amendments potentially increase pressure on existing services to accommodate emerging community demand at a time where, as a result of spectrum congestion, opportunities for new licences are significantly limited.

To date, the extent of any such pressure is untested. Ongoing ACMA, DCITA and Community Broadcasting Association of Australia (CBAA) research activity is directed toward developing a better understanding of the community radio broadcasting sector to allow ACMA to make informed choices about the use of the enhanced powers.

Beyond such regulatory intervention, the spectrum congestion discussed above requires the diverse communities of interest currently served by community radio to seek alternative means of reaching their communities. How best this is achieved will vary depending on the circumstances of each community. Issues in relation to the potential use of digital radio technologies in this context are discussed in section 5.1.1 of this submission.

## **2.2 COMMUNITY TELEVISION**

### **2.2.1 History of community television in Australia**

In 1992, the House of Representatives Standing Committee on Transport, Communications and Infrastructure conducted an inquiry into possible uses of the last available analog high power television channel in most parts of Australia, the so-called 'sixth channel'. The Committee recommended that the sixth channel be made available on a trial basis for community access television until such time as a decision was made about the permanent use of the channel. The Government accepted the Committee's recommendation and asked the ABA to facilitate community television (CTV) trials.

Community groups in Adelaide, Bendigo, Brisbane, Hobart, Lismore, Melbourne, Perth/Mandurah and Sydney expressed interest in providing a CTV trial service using the sixth channel, and were issued with narrowcasting licences from September 1993.

---

<sup>6</sup> This publication is available on ACMA's website at: [http://www.aba.gov.au/newspubs/radio\\_TV/broadcast\\_planning.shtml](http://www.aba.gov.au/newspubs/radio_TV/broadcast_planning.shtml)



The licences were subject to the condition that services were to be provided for community and educational non-profit services. Licences were re-issued, generally on a one or two year basis, in line with advice from the Minister.

A statutory review of CTV was tabled in Parliament in June 2002. The review concluded that consideration should be given to providing greater regulatory certainty and stronger accountability and governance mechanisms for the sector. In response, relevant legislation was amended under the *Broadcasting Legislation Amendment Bill (No. 2) 2002* to provide new licensing arrangements for community television services and provide for permanent CTV licences. The current licensing arrangements are discussed in section 3 of this submission.

### **2.2.2 The current community television broadcasting sector**

The ABA allocated permanent CTV licences for the Sydney, Perth, Melbourne and Brisbane licence areas between December 2003 and July 2004. Community television trial services currently operate in Adelaide, Lismore and Mt Gambier. The licensing regimes for community television services and trial community television services are discussed below.

### **2.2.3 Availability of spectrum for community television services**

In May 1999, the Minister for Communications, Information Technology and the Arts removed the reservation of sixth channel spectrum in all parts of Australia, except where CTV trials were operating, so that the spectrum could be used for digital television broadcasting and/or datacasting services.

Digital television has used up all remaining channels in most major centres. However, analog channels may be available in some more remote centres on a case-by-case basis. In the past, the ABA was prepared to consider analog trials on an exceptions basis where channels remained. The CTV trial in Mount Gambier (Bush Vision) is an example.

### **2.2.4 Transmission cost pressures facing CTV operators**

CTV services face significant financial pressures from programme production and transmission costs. Providing television services is an intrinsically expensive undertaking. This fact, combined with the low revenue generated by CTV services, means that meeting high operating costs is an important factor affecting the viability of CTV. This has been the case since the commencement of trial services in 1993, and in ACMA's view has been one of the most significant factors in the problems encountered by both the trial services and the currently licensed permanent services.

High transmission costs present a number of potential dangers for the future viability of CTV. Firstly, in order to cover costs, some CTV operators may enter into programming or other types of arrangements that could compromise the community purpose for which their licences were made available. This also has the potential to affect access and participation to services as committees of management may feel obliged to control the service to maximise the income and attractiveness of the CTV package to sponsors.

Secondly, the high costs may push some CTV operators into compromises around licence area coverage. No CTV operator is able to use its channel to the full power used by national operators at the same site, although some do operate at a relatively

high power. CTV operators have often had to sacrifice coverage area and signal quality in order to contain transmission costs. This in turn curtails the revenue generating capacity of the service and denies the benefits of CTV to audiences in large parts of the potential coverage area.

Thirdly, the operation of services may be jeopardised, either by forcing a licensee into some form of financial administration or, in the worst case, by forcing it to cease providing a service.

## **2.3 REMOTE INDIGENOUS COMMUNITY BROADCASTING SERVICES**

The community broadcasting sector also includes 79 remote Indigenous community television and radio services. Radio and television broadcasting licences for remote Aboriginal community (BRAC) purposes were initially allocated by the Australian Broadcasting Tribunal under the *Broadcasting Act 1942*. With the introduction of the BSA in 1992, BRACs services were taken to be providing broadcasting services under community broadcasting services licences. These former BRACs services are now referred to as Remote Indigenous community services. The majority of these services operate in Queensland (28 licences) and the Northern Territory (33 licences), with 4 in SA and 14 in WA.

## **3 The Community Broadcasting Licensing Regime**

ACMA can offer a community broadcasting licence for allocation only when a new community broadcasting service has been made available in a licence area plan in planning the broadcasting services bands. The planning, licensing and allocation processes are outlined in [Attachment 1](#) to this submission. The different types of community broadcasting licences are discussed briefly below.

### **3.1 COMMUNITY BROADCASTING LICENCES**

Permanent community broadcasting licences for both radio and television services are regulated under part 6A of the BSA. The BSA provides that the allocation of BSB community broadcasting licences is merit based: that is, ACMA will allocate these licences on the basis of the merits of applicants and their proposed services and, where necessary, on the comparative merits of competing applications. In assessing applications ACMA will have regard to matters set out in section 84 of the BSA.

In having regard to the matters set out in section 84 of the BSA, the ABA and ACMA have allocated licences to serve the needs and interests of a wide range of different types of communities. The great majority of existing licences are held by general community groups, but other community groups allocated licences include: youth, religious, Indigenous, radio for the print handicapped, ethnic, seniors/mature age, education, specialist music, sport, arts and fine music.

Allocation of a licence to provide a community broadcasting service under the BSA includes free access to BSB spectrum on which to broadcast the service.<sup>7</sup>

The Minister may give directions to ACMA to give priority to a particular community interest or interests, generally or within a particular licence area, in allocating

---

<sup>7</sup> Transmitters to broadcast the service are licensed under the Radiocommunications Act 1992.

community broadcasting licences. To date, the Minister has not given any such directions to either the ABA or ACMA.

Community broadcasters are subject to certain licence conditions, ranging from general conditions in parts 1 and 2 of schedule 2 to the BSA, which apply to all broadcasting services, to more specific conditions in part 5 of schedule 2 that are relevant to community broadcasting services. Community broadcasting licensees are also subject to any relevant program standards and industry codes of practice in the provision of services. Community television licences are subject to additional conditions set out in section 87A of the BSA. Licence conditions regarding content and programming requirements are discussed in section 4 of this submission.

Community broadcasting licences remain in force for five years and may be renewed by ACMA on application by the licensee. The procedures for renewing community broadcasting licences are set out in sections 90 and 91 of the BSA. The BSA was amended at the end of 2002 to give the ABA more discretion to review community broadcasting licences on renewal.

### **3.2 TEMPORARY COMMUNITY BROADCASTING LICENCES**

The BSA also provides for ACMA to issue temporary community broadcasting licences (TCBLs). TCBLs provide aspirant community radio broadcasters with access to available spectrum ahead of, but without prejudice to, the planning and allocation of long-term broadcasting service licences. The issuing of a temporary community broadcasting licence does not infer that a frequency or licence will be permanently allocated in the future.

TCBLs provide community groups with the opportunity to develop the skills necessary to operate a broadcasting service, and to attract a level of community support that ensures the community the licence intends to service has an adequate level of access to and participation in the service. ACMA takes these matters into account if it decides to invite applications for permanent licences in areas in which TCBLs have been operating.

Temporary community broadcasting licences can be allocated for periods of up to 12 months. However, if more than one applicant applies to operate a temporary community radio service in the same area, applicants will be required to share the frequency under a time-share arrangement approved by ACMA. ACMA will specify the times during which a licensee may broadcast as a condition of the licence.

Temporary community broadcasting licensees are subject to the same licence conditions, codes of practice and enforcement provisions that apply to community broadcasting licensees.

### **3.3 COMMUNITY TELEVISION TRIALS**

Trial CTV services are licensed under part 6A of the BSA and are generally licensed to operate for a 12 month period. A condition is placed on the licences that they be used only to provide a television service for community and educational non-profit purposes.

### **3.4 NON-BROADCASTING SERVICES BANDS COMMUNITY BROADCASTING LICENCES**

Section 82 of the BSA provides that ACMA may allocate to a person on application a community broadcasting licence that is not a broadcasting services bands licence. However, ACMA has not, as yet, received an application to operate a community broadcasting service outside the BSBs.

Community broadcasting licences are subject to the same licence conditions and codes of practice regardless of whether the services operate within the BSBs.

## **4 Content and Programming**

There are no provisions in the BSA that directly require that the content and programming of community broadcasting services reflect the character of Australia and its cultural diversity.

However, the achievement of such content and programming has been an important guiding principle for community broadcasters since the sector began, and, as discussed below, is reflected in the sector's codes of practice.

From ACMA's point of view, community broadcasters achieve such content and programming through compliance with two key licence conditions that require them to:

- continue to represent the community represented at the time the licence was allocated; and
- encourage members of the community served to participate in the operations of the service and the selection and provision of programs.

The principle underlying the two licence conditions, and one of the key defining characteristics of community broadcasting services, is that of access to, and participation in, the service by the community that the licence has been allocated to serve.

### **4.1 CODES OF PRACTICE**

When it took effect in 1992, the BSA introduced a new regulatory regime for program content by allowing the various broadcasting industry sectors to set their own programming guidelines in the form of codes of practice.

Section 123 of the BSA requires industry groups representing all broadcasting sectors to develop codes of practice, and submit them to ACMA for registration. In considering whether to register a proposed code, ACMA must be satisfied that:

- the code provides appropriate community safeguards for the matters covered by the code;
- the code has been endorsed by a majority of the providers of broadcasting services in that section of the industry; and
- members of the public have been given an adequate opportunity to comment on the code.

ACMA monitors complaints made to broadcasters to assess whether codes align with prevailing community standards and concerns, and ensure that these matters are taken

into account when the codes are reviewed. ACMA has registered codes of practice for both community radio and community television broadcasting sectors.

#### **4.1.1 The Community Broadcasting Codes of Practice (Radio)**

The Community Broadcasting Codes of Practice (the Codes) cover matters prescribed in section 123 of the BSA, and other matters relating to program content that are of concern to the community.

Consistent with the access and participation requirement, the Codes require that stations:

- have policies and procedures in place, relating to the licensee's community of interest, which ensure access and equity and encourage participation by those not adequately served by other media;
- be controlled and operated by an autonomous body which is representative of the licensee's community of interest;
- have organisational mechanisms to provide for active participation by the licensee's community in its management, development and operations; and
- incorporate policies that apply to all station activities, which oppose and attempt to break down prejudice on the basis of ethnicity, race, chosen language, gender, sexual preference, religion, age, physical or mental ability, occupation, cultural belief or political affiliation.

The Codes are provided at Attachment 2 to this submission, and are available on the ACMA website.<sup>8</sup>

#### **4.1.2 Community Television Code of Practice**

The Community Television Code of Practice covers matters relating to programming and operational standards for all stations holding a CTV licence.

Consistent with the access and participation requirement, the Code of Practice requires that stations:

- have written policies and procedures in place, relating to the licensee's community of interest, which enable access and equity and encourage participation by those not adequately served by other media;
- be controlled and operated by an autonomous body, which is representative of the community of interest in the service area;
- have written policies and procedures, that apply to all station activities, which promote tolerance and respect of social and cultural difference and attempt to break down prejudice on the basis of ethnicity, race, chosen language, gender, sexual preference, religion, age, physical or mental ability, occupation, cultural belief or political affiliation; and
- have written policies and procedures in place that outline the rights and responsibilities of volunteers within the organisation, including fair access to contribute to policy-making and operational processes.

---

<sup>8</sup> The Community Broadcasting Codes of Practice are available on ACMA's website at:  
[http://www.acma.gov.au/ACMAINTER.131200:STANDARD:1003955631:pc=PC\\_90091](http://www.acma.gov.au/ACMAINTER.131200:STANDARD:1003955631:pc=PC_90091)

The Code of Practice also states that licensees should aim to broadcast material that promotes local and Australian culture, representing diversity in a responsible manner, breaking down prejudice and discrimination, and preventing the broadcast of material which is contrary to community standards.

The Code of Practice is provided at Attachment 3 to this submission, and is available on the ACMA website.<sup>9</sup>

## **4.2 COMPLIANCE WITH LICENCE CONDITIONS AND CODES OF PRACTICE**

ACMA is responsible for ensuring that broadcasting service providers comply with licence conditions and codes of practice.

Over the past five years, community radio licensees have generally accounted for an average of 20 compliance investigations by ACMA per year. Of this figure, an average of 14 investigations per year resulted in a breach finding, while an average of six per year resulted in non-breach findings. The majority of breach findings related to broadcasting advertisements (a licence condition matter) and conflict resolution issues (a code of practice matter).

In 2004-05, community radio operators accounted for a total of 12 breach findings. A similar number of breaches (11) were found in respect of commercial radio licensees. The 12 breaches for community radio operators related to the following issues:

- broadcast of advertisements or excessive sponsorship (5);
- lack of community participation (2);
- poor complaints handling processes (2);
- inadequate internal conflict resolution procedures (1);
- not representing community interest (1); and
- inadequate programming practices to protect children (1).

The breach of a licence condition, or continued breaches of the codes of practice, may lead to serious penalties, including the imposition by ACMA of an additional licence condition, or, ultimately, the suspension or cancellation of a licence.

## **5 Digital Technology Issues relating to Community Broadcasting Networks**

### **5.1 DIGITALISATION**

The general trend in communications and entertainment technologies is a move towards digital. Examples include mobile phones which have become digitalised and the replacement of the videocassette recorder with DVD players and recorders. Digital technologies typically offer the prospect of better quality, greater capacity, efficiency or flexibility.

---

<sup>9</sup> The Community Television Code of Practice is available on ACMA's website at: [http://www.acma.gov.au/ACMAINTER.131200:STANDARD:1003955631:pc=PC\\_90097](http://www.acma.gov.au/ACMAINTER.131200:STANDARD:1003955631:pc=PC_90097)

Digital television has already been introduced in Australia and digitalisation of radio is the next logical step. The digitalisation of radio may potentially increase the number and quality of broadcasting services, although the extent to which it may do so is dependent on technology choice, desired service quality and the availability of suitable spectrum. This raises the possibility that the introduction of digital technology could increase diversity in the community broadcasting sector and provide scope for services representing more voices in the community. Digitalisation also presents possible challenges to the sector in terms of the costs of the transition to digital.

### **5.1.1 Community radio**

The Government released its policy framework for the introduction of digital radio in October 2005. Under the framework, national and commercial digital radio services will be introduced in the six state capital cities using the Eureka 147 Digital Audio Broadcasting (DAB)<sup>10</sup> technology. The current framework makes limited provision for wide-coverage community radio and no provision for local-coverage community radio services.<sup>11</sup>

Within currently available spectrum<sup>12</sup>, the current policy framework would allow up to four wide-coverage community broadcasters to use capacity on commercial multiplex transmissions (two on each commercial multiplex). However, there are between six and nine wide-coverage community services in each state capital city, with the exception of Hobart which has three. Following the switch-off of analog television services, additional spectrum could potentially be made available for digital radio.

#### ***Digital radio technologies***

While the policy framework is based on the Eureka 147 DAB technology, it also provides for trials of other technologies that might be used to serve regional and remote areas. There are several other technologies either currently available or under development which could provide additional opportunities for community radio.

Digital Radio Mondiale (DRM) is a recent technology that could potentially be used in Australia's medium frequency broadcasting band currently used for analog AM radio. As there are limited opportunities for new radio services due to the general scarcity of spectrum, ACMA in considering whether to introduce new analog AM services will take into account the likely effect on capacity for future DRM services.

The DRM technology is being further developed to operate in VHF broadcasting spectrum bands up to 108 MHz. This technology is known as DRM+. While DRM+ could be a replacement technology for FM services, the capacity to introduce new

---

<sup>10</sup> Amongst other things, technical descriptions of the Eureka 147 DAB, DRM, IBOC-AM and IBOC-FM digital radio technologies are provided in *Digital Radio Technology Update*, ABA, September 2003. (see [http://www.dcita.gov.au/broad/radio/digital\\_radio/introduction\\_of\\_digital\\_radio\\_-\\_issues\\_paper/digital\\_radio\\_study\\_group](http://www.dcita.gov.au/broad/radio/digital_radio/introduction_of_digital_radio_-_issues_paper/digital_radio_study_group)).

<sup>11</sup> Many community radio services can be categorised as wide-coverage. They often match the coverage of commercial or national broadcasters' services. Local-coverage services typically cover smaller areas such as a rural town or a fraction of a metropolitan area.

<sup>12</sup> 6MHz of spectrum is available in VHF channel 9A in all state capital cities except Hobart where 7 MHz is available in VHF channel 12. The coverage of the services may be supplemented by repeaters using spectrum in L-Band (1452-1492 MHz).

services in the FM band is also limited. ACMA considers that there will be more scope to deploy DRM+ in parts of VHF Band I spectrum currently used for analog television services on channels 0, 1 or 2 following the switch off of analog television.

The US digital radio technologies known as IBOC-AM and IBOC-FM and marketed as 'HD Radio' could potentially be used by broadcasters from all sectors including the community sector. Such a technology would not, however, provide very much scope for new independently operated community services. This is because the IBOC digital capacity is closely associated with an existing analog service. This means that there would be no opportunities for new community services in areas where spectrum is scarce except where existing analog operators decide not to utilise digital capacity, but are prepared to carry it with their analog signals.

For wide coverage community radio the likely options are DAB in VHF Band III or L-band (subject to spectrum availability), and DRM in the MF bands. Due to the radio propagation characteristics of the MF band, DRM is likely to have significant coverage advantages over DAB in rural areas. However, due to the limited bandwidth of DRM, the audio quality may be slightly lower than that which is possible with DAB. In the longer term DRM+ and possibly IBOC-FM may also be possible.

For local community radio services, the likely migration paths to digital appear to lie either with the DRM+ technology or IBOC-FM, due to lower implementation and site costs. The DAB standard, which is designed to carry multiple programs on one wide bandwidth (1.536 MHz) channel, is not best suited for local community services where there is often only one service covering the area. The allocation of one DAB frequency block for a single service would be inefficient use of the spectrum.

### **5.1.2 Community television**

Current legislation only provides for the digital conversion of commercial and national television services and does not provide for a digital conversion path for existing community television services. However, ACMA understands that the government is considering issues associated with the digitalisation of community television broadcasting in the context of its media reform and digital broadcasting proposals.

If CTV begins to transmit in digital, it is likely that the associated conversion costs would exacerbate the existing financial pressures discussed under section 2.2.4 of this submission. The difficulty of this situation is heightened by the observation that if the CTV sector continued to transmit in analog while the commercial sector converted to digital, the CTV sector would have a reduced audience and therefore less scope for sponsorship revenue.

## **Attachments**

1. Planning and licensing of community broadcasting services
2. Community Broadcasting Codes of Practice (radio), October 2002
3. Community Television Code of Practice, September 2004