

RADIO SERVICES IN REGIONAL AND RURAL
AUSTRALIA

Submission to the
House of Representatives Communications Committee
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by
The Department of Commerce and Trade
Western Australia

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INTRODUCTION

The Western Australian Government is pleased to contribute to the House of Representatives' inquiry into Radio Services in Regional and Rural Australia.

The role of the Office of Information and Communications within the Department of Commerce and Trade includes facilitating the convenient and affordable access to all forms of broadcasting and telecommunications to all people and businesses throughout the vast area of Western Australia. Therefore this submission is written on behalf of the people of country Western Australia.

There is an unequal distribution of broadcasting services throughout Australia. The large population centres are well catered by a diversity of services, but the regional and remote areas have only access to limited services, often with very little local content. Market forces together with vast distances prevent diversity of services in remote areas from being profitable, and strongly limit provision of local program content.

Broadcasting has been exceptionally important to the state of Western Australia due to its geographical isolation both from the rest of Australia and the world. Western Australia represents approximately one third of the Australian land mass. The population outside the Perth metropolitan region is relatively small, unevenly distributed and is characterised by a lack of services when compared to the metropolitan area.

In non-metropolitan Western Australia 2.5% of the Australian population produces over 26% of Australia's export income. As well as social equity, there is strong economic argument for ensuring these isolated people have equitable access to services including broadcasting. This scattered population has critical needs for information, education and entertainment, which can be satisfied by broadcasting. They lack the array of metropolitan alternative sources such as theatres, art galleries, TAFE colleges, universities, wide subject choices in high schools and bookstores and much more.

We seek no special treatment or legislative arrangements for Western Australia. What we have delineated in Western Australia can be replicated in most other states and territories to various extents.

Our submission is based upon over fifteen years of work in attempting to bridge the gap between city and country. The Department of Commerce and Trade's Office of Information and Communications (OIC) and its predecessor offices have produced numerous documents to reinforce our long-held argument that all non-metropolitan people should be able to affordably and conveniently receive a reasonable suite of radio services.

These include: the 1986 O'Brien Report on Radio Services in Regional and Remote Areas of Western Australia; the 1997 Statewide Communications Audit: the Needs of Regional Western Australians (the Boshe Report); responses to Australian Broadcasting Authority Licence Area Plans; submissions to the Mansfield Inquiry on the ABC of September 1996 and the Productivity Commission's Inquiry into Broadcasting 2000. Selected presentations are appended.

This submission attempts to address the terms of reference of the inquiry. We conclude by making several recommendations for legislative and administrative action, which are based on the concept that access and equity principles are upheld throughout broadcast planning.

- *That broadcasters must adhere to a Universal Service Obligation:*
- *That the Minister for Communications, Information Technology and the Arts should issue a Directive for more ABC services to fill the gaps in Western Australia*
- *That the ABA should be given adequate resources to perform its task speedily and well.*
- *That resources should also be increased for the Community Broadcasting Foundation, ATSIIC and other organisations providing support for radio services to indigenous audiences.*
- *That the ABA, or else the Minister, should enforce the historic recommendation of migration of Television services from VHF Band Two to UHF.*
- *That Digital Radio Broadcasting via satellite be introduced as soon as possible.*
- *That Communications Impact Assessments should be an integral part of introduction of and changes in technologies, administrative actions and legislation.*
- *That changes of direct-to-home satellite arrangements should be subject to approval of the ABA.*
- *That DOCITA's Black Spot program should be expanded to include reception of radio services.*

BACKGROUND

Since the mid-1980s the State Government has advocated appropriate broadcasting services in Western Australia. While not all the submissions made have used the term Universal Service Obligation, it has been argued in numerous submissions to Commonwealth agencies that access to a range of broadcasting services should be affordable and convenient to all Western Australians no matter where they reside, travel or carry out business.

The basket of services would compose of at least ten radio services: the five ABC services, one or two community, up to three commercial services, and SBS Radio. Looking at it another way, there should not be a locality of more than 200 people in this State that does not have access to such a basket. Ten services is still less than half of the Perth total of 23, but a significant improvement on the typically current two in most towns and up to only six in the largest centres.

Capital cities have choice of over 20 radio services spanning the full range of national, commercial, community and narrowcast services. They include all of the taxpayer-funded ABC and SBS radio services. In Western Australia no town outside Perth enjoys such a variety.

In Western Australia only a minority of towns have their own commercial radio station and those receive a networked program for most, and in some cases all of the time. This denies local companies the opportunity to advertise on radio.

Out of 154 towns outside the metropolitan area only ten have community radio stations on the air.

ABC Regional Radio is highly valued and reasonably widely available. However, other ABC radio services are still unavailable to many non-metropolitan Western Australians, especially Triple J and Classic FM. Wide segments of the State do not receive Radio National including the 115,000 people in the State's most populous non-metropolitan region in the South West around Bunbury. PNN is not available outside Perth. And there are still places where none of ABC radio's services can be heard.

While there is a dearth of services that focus on regional and remote Western Australia, we wonder if there is a dearth of spectrum? In the South West Television services on the accepted FM band eats away at a major chunk of spectrum that could be allocated for local services that would be relatively inexpensive to establish and support.

Our thinking leads us to support the concept of a Universal Service Obligation for broadcasters as described in the section headed "Proposals for Legislative and Administrative Action."

There are approximately 400,000 people spread outside the metropolitan area. Our Audit in 1996 found that only 49.5% of the regional households reported that they could receive a local commercial radio station. However, 57.4% of those who cannot receive a local commercial radio station expressed an interest in receiving such a station, which equates to about 61,217 households. This is a higher level of interest than for any other type of radio service and represents a sizeable unfilled need in the regional community. There was a considerable level of interest in Radio for the Print Handicapped and in community radio services.

700,000 out of the State's 2,500,000 square kilometres do not receive any radio services. Along most of the vast road distances throughout the State no radio services can be heard. In Western Australia there are at least 5,000 people working in isolated locations, plus at least 2,000 people travelling on non-metropolitan roads at any one time who have no access to radio broadcasting of any kind.

The inhabitants of Walpole (population 315) in the State's South West corner cannot receive terrestrial radio services on their simple radios at home. But they are able to receive such services in their cars. 200,000 tourists pass through their community each year to see the karri forests and make the treetop walk. Those who stay overnight can't listen to the radio.

Each year 20,000 vehicles take the State's most densely travelled country road, the Eyre Highway, between the South Australian border and Balladonia have no terrestrial radio service.

Locations throughout Western Australia fall into a number of categories:

- No service at all
- No portable service
- No service along roads or covering pastoral properties or farms
- No local service – only satellite or direct-to-home service with no local content and available in only one room of the homestead and only for the hours when the generator is on.
- ABC Regional Radio, but no other service
- ABC Radio National, but no other service
- Limited ABC, but no local commercial and no community radio
- Various other categories, all with too few services.

The Commonwealth's Black Spot project covers television, but radio is a more basic need. As broadcasting enters another phase of the digital era, another digital divide exists.

RESPONDING TO THE INQUIRY'S TERMS OF REFERENCE

On the adequacy of radio services in regional and rural Australia and the extent to which there is a need for the Government to take action in relation to the quantity and the quality of radio services in regional and rural Australia, having particular regard to the following:

- The social benefits and influence on the general public of radio broadcasting in non-metropolitan Australia in comparison to other media sectors;

Historically, broadcasting has served as a lifeline to regional people. ABC Regional Radio has provided immense benefits to country people. Commercial radio has provided diversity in those few towns where it is commercially viable.

Local radio reinforces local identity. If you review all the things that radio provides in its very portable form: information, entertainment, sports – no other medium can replicate it. Good broadcasters are trained to talk directly to the listener. A one-on-one relationship is created. Radio provides affordable and convenient access to the world. And in the isolation of remote Western Australia it is especially appreciated.

Radio's portability makes it primal. Television can't provide it. Useful Internet radio is a long way off from doing so. Wireless laptops or even WAP phones do not operate in over 90% of the square kilometrage of the West. Mark Twain predicted the future of radio when he said "that the reports of my death were greatly exaggerated." However, local radio is on its deathbed.

In our submission to the Mansfield review, among the points we made was that the ABC was a unique institution, important in projecting a national identity, which it was able to do because of its rural base. It has been a major local program provider, entertainer, trainer and employer, historically reaching into the bush.

The national broadcasters have performed a vital role in Australia. Although they are not ratings leaders, they provide a depth of content and meaningful diversity. Because they are not tied to ratings they are notable for innovation. ABC Regional Radio items can be accessed on the Internet, by the few that have Internet access at a useable data rate. The ABC in Western Australia has also pursued a strategy, which is benefiting both regional and metropolitan listeners. The State Manager is committed to an increase in local production of programs, innovative use of new technology, and optimal use of regional staff knowledge.

A lot of what the ABC is trying to restore to communities have historically been provided by small local commercial radio stations. But the neighbours who ran the radio have gone to the major country towns, the state capitals or Sydney. ABC is trying to re-inject localism.

Digitisation of the ABC offers another opportunity through the use of multi-channelling. Digital broadcasting signals can be split into many different bands to offer listeners a choice of programs. Regional areas, even very small ones, can therefore be effectively served with programs such as local sporting events, including race meetings. Better service to regional

audiences results which will counteract some of the losses to local content which have occurred over the last few years.

Community radio gives groups and individuals the opportunity for self-expression, creativity and education. It is the only realistic source of town-local content that is of high value to the town, but would not get air time on commercial stations. In small communities community radio is trying to reinvent the local sound that marked the heyday of the local commercial stations.

Radio for the Print Handicapped is designed to fulfil the needs of people who cannot access information in print, but not exclusively for people with a reading disability. It is a major social and health resource for everyone in a community. The isolation of rural Western Australia compounds the need for such a service. Although the State's RPH service is available through the State's Westlink Optus satellite service, retransmission to a wider, more portable audience has been minimal, due to the cost for volunteer groups to organise a service and the limited frequencies available to them.

To be informed citizens need a multiplicity of information sources. Single ownership of radio stations in the larger towns, while economically rational, lessens the diversity of information sources in a state where there is but a single daily newspaper and a single Sunday paper. That single daily newspaper also owns a majority of the rural newspapers, including those in three of the largest towns.

It is non-metropolitan people, who have much less access to other forms of news, information and entertainment who would benefit most from convenient and affordable access to a minimum set of radio services. The basket of services would compose of at least ten radio services: the five ABC services, one or two community, up to three commercial services, and SBS Radio.

Local radio reflects the mood of the community; it is reactive to the community's economic situation and can provide support in times of recession or unemployment or any other stress.

In times of bushfire, flood, storm, jailbreaks and other catastrophic situations, local radio provides immediate information and support to emergency services. With no local radio in town to report the information immediately, results could be even more disastrous.

There are basic needs that radio fills for travellers and tourists. With minimal services on major roads, weather and road conditions information vital to travellers is unavailable and can be the source of inconvenience and possibly catastrophe. Radio, if available, also keeps drivers alert and awake.

There have been some plans on the ABC's drawing board to provide terrestrial services to travellers east of Norseman, but there has been no budget for it.

Radio stations such as ABC's local outlets are sole sources of information, providing advice on health and sanitation issues that are unavailable elsewhere. The National Rural Health Alliance has stated that in many parts of rural Australia where there are few newspapers or other forms of mass communications citizens rely on local radio for information on local health promotion activities or national issues such as substance abuse, youth suicide and sexual health. The state's indigenous community broadcasters perform this role, often in local languages and provide services that cannot be duplicated.

There has been anecdotal evidence that radio services aimed at young people have been able to keep suicide numbers down among rural youth. Remote and rural towns have relatively high numbers of young people who are demanding a relevant radio service. For example the median age in the Kimberley is 26 – six years below the State median. The median age throughout non-metropolitan Western Australia is two years younger than Perth. Small towns and agricultural and mining communities are eager to retain their younger residents. Access to relevant radio services like the ABC's Triple J could help rural youth feel less isolated, therefore more satisfied with country life and less likely to move away to the city.

In 1995, nearly half (47.7%) the respondents who were unable to receive Triple J expressed an interest in receiving the station. The regions in which there was the highest level of interest in receiving Triple J were the South West, the Pilbara, Kimberley and the Wheatbelt. Five years later, the ABC is still not transmitting the service to the Pilbara, Kimberley and areas north of Geraldton.

The State's fastest growing region, the SouthWest, is a prime market for growing diverse radio services, but expansion has been stifled by the presence of ABC and GWN television services on the Band Two VHF frequencies that are usually used for FM radio. The ABA has not forced the telecasters to migrate to UHF. The telecasters have since upgraded VHF facilities. Local entrepreneurs or enthusiastic amateurs are missing the opportunity to begin inexpensive commercial and community stations. The ABC itself still has not found a frequency to beam Radio National to significant parts of the region.

· Future trends in radio broadcasting, including employment and career opportunities, in non-metropolitan Australia;

Future trends seem bleak. Networking and staff sharing have kept struggling stations on the air, but at the expense of employment and career opportunities. The bush has always been a major training ground for media careers. But jobs have not only migrated from the bush to the capital city but from Perth across to the Eastern States. One commercial station in a large country town has seen staff reduced from 28 to 8 in the past decade. Another station is down from 19 to 6. This hasn't seen the number of aspiring announcers, technicians and journalists decline, as tertiary institutions report no decrease in the number of undergraduates seeking work in radio. But the jobs are becoming fewer and most likely interstate.

Increasing the number of radio stations is a catch-22 proposition. Where AM frequencies are available, the start up costs for a new station are five times as high as for an FM service. In places where FM stations are in demand, such as in the Southwest, frequencies are unavailable due to the presence of television services on the FM band.

In Western Australia, the ABC has bucked the trend by doubling its regional staff and refurbishing regional facilities. Tight budgets and uncertainty as to where the new national management will lead it have hampered its expansion. Further expansion of ABC regional services and studios that are serving those regions is strongly supported.

Certainly devolution of network services would bring about increased opportunities, but this is certainly not the trend.

The decline of radio broadcasting is another symptom of the restructuring of services in non-metropolitan Australia. It makes it even more difficult for a true picture of non-metropolitan Australia to be presented to an increasingly urban/suburban Australia. This leads to concerns about widening the gap between these two Australias that is even more than the digital divide.

Local businesses also suffer from the decline of non-metropolitan radio services. They cannot target advertising successfully on this important medium. Networking also exists in retailing, as the local merchant is replaced by chain stores that are able to successfully use the networked commercial radio services. Jobs and local identity are lost further. In one Wheatbelt town, the four tractor dealers closed down, thus making commercial radio less viable, as well as farmers then having to take a 200 km round-trip to Perth to make their purchases.

There is some hope in the community sector. The ABA has made licensing simpler, but the catch-22 of frequencies looms. Even resolving that, there remains the major effort required educating the community to the opportunity and then galvanising them to do the hard work in setting up a station.

· The effect on individuals, families and small business in non-metropolitan Australia of networking of radio programming, particularly in relation to local news services, sport, community service announcements and other forms of local content;

As we have noted, for inhabitants of rural areas and those who travel through them radio services are not only a source of entertainment and an array of local information but the only means of obtaining weather information and advice of emergency situations. This content whether it is an ad for a local business or an announcement of a lamington sale reinforces feelings of community.

Regional and remote areas have a need for local content but economics works against this. Economic forces encourage broadcasters to network, often nationally, with the corresponding reduction in local content and relevance. Rural and remote areas with their low population numbers are particularly susceptible to loss of local relevant content. Items of local significance are rarely covered, as no advertising revenue will be gained by the coverage. In particular, the needs of regional and remote radio listeners are neglected. There is a need to ensure that a certain amount of local content is present. Loss of local content will result in loss of local identity and interest in the local community. Local content can only be ensured by regulation and the efficient use of new technologies such as digital radio satellite services.

Marketplace demands and federal budgets have led to an increasing trend towards networking and centralisation on a state and national basis in both commercial and government radio services. The voices of locally-based community radio services will become more important as broadcasting services become more homogenised.

The 1996 Communications Audit showed that many residents were unhappy with the growing trend towards networking of regional commercial radio services. This means that all stations throughout the network receive the same program for much of the day with only small windows for local news and advertising. Regional listeners questioned the relevance of having Sydney and even Perth radio programs and radio personalities broadcasting to regional Western Australia. They felt that local commercial radio services no longer provided sufficient local news and information. There was some expectation that community stations may be able to fill this role.

Western Australia's four networked commercial services

These are:

- DMG Radio owns two terrestrial networks in the southern third of the State. RadioWest on AM provides locally-originated breakfast programs from five locations to 11 transmitters, followed by a networked talkback program. Weekday lunchtime programs are originated from some of the five locations. All the music emanates from the Bunbury hub where a network news service originates. Advertising is targeted to the areas surrounding the 11 transmitter sites. Local news inserts are heard in the mornings, noontime and late afternoons.
- DMG's HOT-FM provides music from the Bunbury hub and is networked to nine transmitters, local ads are broadcast from them. News is broadcast from Bunbury. However, the FM signals do not reach as far as the AM signals that usually emanate from the same masts.

- Based in Karratha, WAFM purchased the satellite service originated by Golden West Network and it is transmitted to the Remote Licence Area covering two-thirds of the State's land mass. The mostly contemporary music service is mostly retransmitted on facilities often owned by local communities. There are terrestrial services in three sites where locally-originated inserts exist. Local ads are inserted for some retransmission sites. Music and some newscasts are beamed from Karratha. But most of the news is networked from Perth.
- WAFM's sister service, NorthWest Radio has fewer terrestrial sites and satellite retransmission facilities, is skewed to an older audience with easy listening music and talkback radio originating from Perth and RadioWest. Programming for both services are compiled by a staff in Karratha.

WAFM's license transfer from GWN to NorthWest Broadcasters in May 1998 caused consumer complaints. Many related to the loss of PMFM Perth's relayed service. Representing the largest commercial radio licence area in Australia, the service area covers communities as disparate as Karratha (a NorthWest iron ore town), Moora (an agricultural centre in the Wheatbelt) and Pemberton (a South West timber community). A great part of the service area is covered at a financial loss to the company. A key issue that pervades provision of services for both licensees is the very size of the service area. The licensees avow that it is not economically possible to provide local content and advertising to all areas at all times. However, they are pleased to claim that currently "bouquets outnumber brickbats."

Residents in the North Midlands Region have been unhappy with the programming they receive on WAFM in the Remote Licence Area. Several years ago, with the help of the MidWest Development Commission there was an attempt to forge a coalition of those communities to bring a local radio service into the region. The Australian Broadcasting Authority (ABA) nominated an AM frequency (1116) in Three Springs that would cover the area. Unfortunately, the coalition fell apart and the decision was made to retransmit GWN's satellite service on local FM transmitters. However, GWN sold its licence to what is now WAFM and the base of operations moved north. Recently, after years of complaint and spurred on by of the licensee of the two Geraldton stations, the ABA is examining ways of bringing a semblance of local service to the region. However, there is a critical issue of concentrated media ownership, as the Geraldton licensee also owns the local newspaper.

If the residents of the North Midlands persevere, it is because they had a willing ally. Their goal to seek a service whose content is more suited to their needs may be attained despite the legislation, which focuses on quality of signal and media concentration. Thus it is incumbent for the legislation to be reviewed making for a more listener-friendly atmosphere, especially as networking grows as a statewide and national phenomenon.

Other Radio Services In WA

Companies in Geraldton, Carnarvon and Mandurah own both the AM and FM stations in those communities. Bunbury is the only site outside Perth with a third commercial station, located on the AM band.

The ABC has local programming emanating from nine sites. Radio National, Classic FM, and JJJ are transmitted across the state. Most newscasts on the Radio National, local and regional services are statewide. ABC uses a combination of terrestrial transmitters in populous areas and satellite services. But there are still great gaps in terrestrial coverage. 700,000 sq km. of

the State's 2,500,000 do not receive basic radio services, notably the taxpayer-funded ones. Frequencies have long been assigned to the ABC, but the funding to put the frequencies to air has not been obtained.

Radio for the Print Handicapped (Information Radio 990 Perth) is available for retransmission from the State's Westlink Optus satellite service. Some community stations retransmit small portions of the feed

Perth's Christian Community radio service Sonshine-FM provides some networked programming to affiliates in Geraldton and Esperance.

Community radio stations programming for Aboriginal communities are located in Broome, Fitzroy Crossing, Kununurra and Halls Creek. An Aboriginal organisation is the licensee for Carnarvon's two commercial stations.

While total networking is undesirable, there are positive aspects to networking. Networked programming does provide a news and information and programming base for local services. This is exemplified in the Community Broadcasting Association of Australia's COMRADSAT service, which provides an important crutch for new or small stations. Similarly, the Radio for the Print Handicapped material that is available on the Optus satellite would be important to form a backbone of such a service in small communities.

Thus, for many towns the optimum situation would be a combination of town-local content and other programs networked in.

Specialised lower powered narrowcast services have taken over many frequencies and provide some traffic information, tourism details and all-important racing coverage. But that is just it – they are specialised services and while locally targeted, in many cases thanks to technology do not need to be locally-based.

RED-FM, is a narrowcast music and news service delivered by satellite to mining sites. Its service consists of 6PR Perth's networked news, PMFM Perth's morning broadcast and some syndicated music. However, for the majority of the day, its music and minesite-targetted information, advertising and features originate at RED-FM's Perth studios. The majority of people on many minesites are employed on a fly-in/fly-out basis and for them Perth stations and advertising are "normal" and relevant to them.

This group is anxious to expand its coverage taking advantage of the internet, going to a broadcast satellite service or by using Low Powered Open Narrowcast terrestrial licences. The service can be heard in communities surrounding mining sites. Several localities, distant from mining sites, are reputed to be replacing licensed broadcast services with RED-FM on their locally-owned transmitters. This activity is illegal, but it, coupled with the mail the station claims to receive from "fortuitous" listeners further exemplifies the desire of consumers to find a service that is considered more relevant or provides diversity even at the expense of non-localism and breaking the law.

This leads to the suggestion that broadcasts on satellite for domestic consumption should be under the purview of the ABA, which will seek to assure that such services are accessible to the entire population of the licence area. Satellite broadcasters would have an obligation to owners of retransmission facilities to provide relevant programming.

Other Communities Seeking Services

In the Wheatbelt community of Lake Grace, which is at the fringe of the licence area for Esperance commercial radio, the community claims that the Esperance broadcasters are not trying to reach them and so the community is thinking about erecting a retransmission facility. But they fear they would only be able to retransmit the Remote Area statewide satellite licensee, WAFM, based 1300 km away in Karratha that finds it uneconomical to focus on that small pocket of the service area, and whose content is not locally relevant. Thus they wonder why if they build a transmission facility, they should not also have the right to choose the service they retransmit, whether that be an Esperance or a Perth station.

Consider Walpole, officially listed as in the ABA's Remote Licence Area. Terrestrial signals of the nearest commercial and national broadcasters do not reach them. The community's closest ties are to Albany and Manjimup, each about 120 km. east and north, respectively. Advertisers in those towns and places nearer-by could reach the small market of Walpole residents and the large market of tourists if there was an outlet. WAFM claims it is not economical to focus on communities outside its core area 1500 km to the north. Radio West, terrestrial licensee in Albany and Manjimup, is restricted by its licence area and commercial considerations. ABC doesn't have the resources to retransmit their nearest local service. Thus, an established and prosperous community with a goldmine of tourists cannot get a radio service.

Walpole's case in the south west is replicated in those properties, stations and small communities in the Pilbara, where while some radio services can be reached weakly in cars, no services are easily available in stationary locations, except by sharing satellite TV systems. Residents claim that along the interior highway, for most of the 600 km. between Nullagine and Cue, there are no radio services for the close to 3,000 people who use that road annually. Eight percent of pastoralists questioned in the Gascoyne Region (beyond Carnarvon) have no radio or television sets, ostensibly because they have nothing to listen to or watch or cannot afford a satellite receiver.

The solution to the above problems will require amendment to the licensing regime to permit communities who build self-help retransmission systems to choose the program service most appropriate for their location.

Communities left unserved within a license area should not be prevented from accessing a commercial service from another source. We have sought for the ABA to enforce this stance. It has done so for television reception, despite claims that the Broadcasting Services Act (BSA) of 1992 did not give the ABA such power. Radio should not be different. The ABA has begun to do so in Boddington, Nyabing and Kulin allowing WAFM to be retransmitted since Radio West's services could not be received terrestrially and its satellite service was not available.

Service Loss Without Replacement

People in outback Western Australia used to be served by a single radio service. This was the ABC's short wave service, VLW. Although it required a different and sophisticated radio and required listeners to change frequencies at different times of the day for best reception, and even at best was a noisy, crackly unreliable service, it at least enabled them to keep in touch with the world. The service was switched off in January 1994. A survey the following year by the Mid West Development Commission with assistance from the Country Women's

Association showed that at least 2,500 people on pastoral and other properties lost their only radio service as a result of that action. There is still no acceptable replacement.

To compensate, the ABC in Western Australia provided a daily one hour feed of the County Hour to the Royal Flying Doctor Service through 1999. When the RFDS curtailed its radiotelephone services, the Country Hour was cut. There was no significant response from listeners probably because the mid-day program was not at a convenient time for pastoralists out in the paddock. The medium was less convenient than short wave as they had to use the old RFDS Single Side Band receiver, which was no longer needed for any other purpose. Audiences sadly became accustomed to being without a radio service.

Nonetheless, apart from an ABC WA planning exercise, there has been no significant activity to provide radio to these disenfranchised listeners. The area is cut off from the world.

Loss of Content

As the committee is well aware, the issues arising from the ABC's decision to end its Racing Radio broadcasts presents as a microcosm of the issues faced in non-metropolitan radio. The arguments for the preservation of Racing Radio broadcasts underscore the points of portability, affordability, access, immediacy and localism that we would make. Also noted in the Committee's recommendations is the "use it or lose it" dictum that can be applied to broadcasters beyond the Low Powered Open Narrowcasters cited in the committee's report. A further issue cited in the report, which demands greater examination, is the economic hardship faced by those in rural and remote areas following the cessation of ABC Radio's service. There were reports of smaller racing clubs losing revenue and those individuals who derive income as either salary or investment in the racing codes also losing earnings, since the races have not been broadcast statewide.

Some entrepreneurs have purchased "non-broadcast" spectrum for Wagin, Geraldton, Albany, Kalgoorlie and the heavily-visited Margaret River area. Reception requires twisting AM radio dials to the extremes such as to 1611 khz beyond the conventional 1602. Newer car radios can do so, also those that can be controlled manually. The backbone of the Wagin station's programming is racing. Early reports are that the station has become popular amongst the locals and listeners are twisting their dials and going out of their way to support it, because it is considered "their station."

· The potential for new technologies such as digital radio to provide enhanced and more localised radio services in metropolitan, regional and rural areas.

Country people are alert to services that can improve their lives. The Global Positioning System (GPS) is beginning to be used to accurately steer their harvesters and tractors on ideal tracking. The take-up rate for computers and the Internet is proportionately higher in the country than in the city.

Satellite television and radio has been a feature of bush life for nearly fifteen years. Direct-to-home service has enabled television, radio and distance learning to arrive in remote individual homes, farms and stations. Shire-sponsored satellite-fed retransmission systems allow remote communities to receive terrestrial broadcasts within the transmitter's radius without recourse to individual dishes.

What the regional and rural areas lack is affordable and convenient access to the services that are there. Satellite delivered radio services to date have been tied to television services. Thus, consumers have been unable to take advantage of the portability that is usually associated with radio. Listeners in remote areas seek to be able to use the same kind of receiver for these services as their city cousins, notably a car radio or transistor.

Satellite Delivered Services

Satellite delivery has already been introduced. For those in non-metropolitan areas it is a two-edged sword. Satellites are the backbone of the dreaded networking. However, once digital radio or other satellite-transmitted portable systems can be introduced, it can be the basis for localised services.

Although satellite delivery may be necessary to cover the vast distances, local content can be the loser. It is unlikely that a broadcaster will target only Western Australia. Satellite delivery to retransmission sites and eventually digitally direct-to-listener delivery requires a significant financial investment. New transmitters and studio equipment need to be acquired. Satellite time must be leased. Add to that the huge part of a broadcaster's budget (up to 80% at some operations) for salaries. The economics of radio produces services aimed at covering large areas, even larger than the continent of Australia. The need for significant financial outlay will certainly mean that community broadcasters will struggle to take part in the changeover. The national broadcasters, too, are finding it difficult to cope with normal equipment replacement and necessary expansion after funds have been earmarked for digital conversion.

It could be argued that this would be a small price to pay for a multichannel service able to be received in vast areas of Western Australia currently unable to receive any AM or FM service, and in those places where only one or two services can be received. That depends upon how the services are transmitted to the listener. If the services can be retransmitted and received on conventional receivers, they would be welcome. However some of the new satellite-direct-to-listener technologies currently envisioned are less convenient and more expensive than existing reception systems. Thus diminishing returns ensue.

With digital services, radio broadcasting will immediately change so that one transmitter is capable of providing multiple channels and many services. The current problem of lack of transmitter sites can be alleviated. Theoretically this ability to provide multiple channels

should provide diversity of content. It is anticipated that stations will look to niche markets and provide specialised content.

Digital broadcasting can provide the option to selectively control the content in various areas by using receiver-coding addresses. Preferably, this should not be at the expense of signal quality or require receivers to be suitably configured. The likely use of this feature would be to selectively send advertising material rather than split program content.

Satellite digital broadcasting is more suited to open areas. In urban areas it may not be very satisfactory, as it may not provide good penetration. In practice it is likely that local terrestrial digital transmission will be used in conjunction with satellite. Terrestrial transmissions could provide the local content and satellite the national or international. The problem, of course, is where those terrestrial transmitters are located.

In our responses to the Remote Area License Area Plan we mooted the idea of Remote Property retransmissions. On remote properties cheaper transmitters could be used, as there are no other services in the area which would otherwise suffer interference. Many Western Australians who receive television by satellite also listen to radio by satellite (usually ABC and WAFM) through these systems in their homes. However, this service is hardly portable – if you're watching TV, you can't turn on the radio; if there's no power, there's no radio; if you're out on the verandah, you're out of luck. And as many complain, the service is not local.

The concept of Remote Property transmission is enhanced by digital satellite services, but it requires serious administrative work by the ABA in providing frequencies and can require a large investment of resources for a comparatively small return. Such a concept would not even have to be considered if satellite services could be accessed by a car radio or transistor.

In general, the critical and most significant benefit of satellite delivered digital radio would be the ability to reach vehicles across the whole state. This is the benefit best realised by users in remote areas. New reception equipment will be needed by listeners in order to receive digital radio. A critical issue is to persuade car manufacturers to include digital radio as a standard issue in vehicles as this would produce considerable benefits to mobile reception of radio.

Satellite-delivered digital broadcasting will have the following impact:

- Consumer Benefits: Improved reception for listeners, enhanced sound quality, potential for multimedia services and other services (paging, positioning, etc).
- Financial Impact on the Consumers: New reception equipment will be needed by listeners in order to receive digital radio. A critical issue is to persuade car manufacturers to include satellite digital radio as a standard issue in vehicles as this would produce considerable benefits to mobile reception of radio.
- Potential for Broadcasters: Digital radio creates the potential for interactive services and information delivery, which is tightly targeted, to the needs of specific groups of the community.
- Financial Impact on Broadcasters: Significant increase in infrastructure costs: new transmitters, studio equipment, satellite lease and other costs. Need for significant financial outlay will mean that community broadcasters will struggle to take part in the changeover. Costs also significant for development of multimedia services.

However, there will also be other competing services via Web TV, wireless Internet and other technologies. Caution must be exercised in forecasting the market for this technology, as there will be competition from other areas.

Digital Radio Broadcasting delivered by satellite is a key technological solution to provide enhanced and localised services to remote and regional Western Australia. It must be encouraged and supported. But it is still a long way off. Terrestrial delivery of digital radio is only as helpful as far as their transmitters reach.

Convergence

Competing with conventional or enhanced radio services is an array of new technologies delivering audio. Convergence may be technical, as “radio over the Internet” provides a technical combination of computing, broadcasting and telecommunications. It is steadily gaining an audience, particularly amongst the youth market. This is a very cost-effective method for both listeners and broadcasters alike. The listener is no longer bound to a particular geographical area and can access time critical information as long as an Internet connection is available in the area. Regrettably, the data speeds currently available in much of regional and remote Australia are quite inadequate to successfully deliver Internet radio.

The ABC was an early adopter of the World Wide Web. Regional radio and other ABC online sites are among the most popular websites in Australia. The FM services of the two leading rural broadcasters promote their own services on the Internet. Racing Radio is available on the ordinary broadcast band in the most populous areas of the State and also via accessing a web site. Radio for the Print Handicapped is preparing to broadcast on the Internet. Several community stations are webcast.

However, the medium is still evolving. It is only available to those who have access to, and can afford, an Internet service. The impact of technological convergence on markets is not yet clear. The element of human behaviour must be considered in this particular scenario. Although useful Internet radio via mobile phone may soon be available, the usual Internet connection is a fixed one and the listener loses the mobility attached to traditional radio listening with a portable radio. As a solution to the problems of remote and rural listeners, it is a long way off.

Communications Impact Assessments

Overall, an aspect that has been neglected by broadcasters and the Federal Government is the impact on consumers by changes in licensing, changes in technology and by commercial decisions on the part of broadcasters. Much of these changes are brought about by new technologies. The Western Australian Government has recommended the use of a tool similar to an environmental impact statement and has developed a methodology called *Communications Impact Assessments*, which has been recommended to the Federal Government, but not yet accepted, to manage these changes in the consumer’s interest.

PROPOSALS FOR LEGISLATIVE AND ADMINISTRATIVE ACTION

The Western Australian Government endorses the concept that access and equity principles are upheld throughout broadcast planning.

1. ***There are many facets to what could be termed a Universal Service Obligation:***
 - It should be the responsibility of all broadcast licensees to reach all the viewers or listeners in their licence area. If a terrestrial commercial radio signal does not reach an area it is licensed to serve, the broadcaster should not be able to claim any exclusivity over that location.
 - Legislation must be revised to include program content to be a factor in licensing broadcasting services. Stations that are clearly proven to have ignored the community's needs should be penalised.
 - Communities left unserved within a license area should not be prevented from accessing a commercial service from another source.
 - If a community is required to fund television/radio transmission facilities because the licensed broadcasters are not prepared to do so, then the community should be able to choose what they transmit. If the licensed broadcasters wish to be received in the area then they can fund the retransmission facilities.
 - Access to a range of broadcasting services should be affordable and convenient to all Australians no matter where they reside, travel or carry out business. The basket of services would compose of at least ten radio services: the five ABC services, one or two community, up to three commercial services, and SBS Radio.
 - Broadcasts on satellite for domestic consumption should be under the purview of the ABA, which will seek to assure that such services are accessible to the entire population of the licence area. Satellite broadcasters would have an obligation to owners of retransmission facilities to provide relevant programming.
2. ***The Minister for Communications, Information Technology and the Arts should issue a Directive for more ABC services to fill the gaps in Western Australia already identified by the State Manager.*** This should be an integral part of Government policy.
3. ***The ABA should be given adequate resources to perform its task speedily and well.*** This would enhance the flexibility of the License Area Plan (LAP) process to account for situations that have arisen since the LAPs were issued and grant variations as required to fill gaps.
4. ***Resources should also be increased for the Community Broadcasting Foundation, ATSIC and other organisations providing support for radio services to indigenous audiences.***
5. ***The ABA, or else the Minister, should enforce the historic recommendation of migration of Television services from VHF Band Two to UHF.*** If it is the ABA's role to facilitate orderly introduction of services, not to deny them, therefore early clearance of Band II would solve many problems in rural Western Australia, and other states well in advance of the technologies promised through satellite-based services.

6. ***Digital Radio Broadcasting via satellite be introduced as soon as possible. It promises an enhanced diversified service for Australia as a whole. Its implementation needs to be planned very carefully considering the diverse stakeholders involved in radio broadcasting.***
7. ***Communications Impact Assessments should be an integral part of introduction of and changes in technologies, administrative actions and legislation.***
8. ***Changes of direct-to-home satellite arrangements should be subject to approval of the ABA.***
9. ***DOCITA's Black Spot program should be expanded to include reception of radio services.***

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Committee Secretary
House of Representatives Communications Committee
Parliament House
CANBERRA ACT 2600

RADIO INDUSTRY INQUIRY

The Western Australian Government is pleased to contribute to the House of Representatives' inquiry into Radio Services in Regional and Rural Australia.

The role of the Office of Information and Communications within the Department of Commerce and Trade includes facilitating the convenient and affordable access to all forms of broadcasting and telecommunications to all people and businesses throughout the vast area of Western Australia. Therefore this submission is written on behalf of the people of country Western Australia.

We seek no special treatment or legislative arrangements for Western Australia. What we have delineated in Western Australia can be replicated in most other states and territories to various extents.

Our submission is based upon over fifteen years of work in attempting to bridge the gap between city and country. The Department of Commerce and Trade's Office of Information and Communications (OIC) and its predecessor offices have produced numerous documents to reinforce our long-held argument that all non-metropolitan people should be able to affordably and conveniently receive a reasonable suite of radio services.

Should you have any queries regarding this submission, please contact myself, Phillip Skelton or Dan Scherr on (08) 9327 5242.

Yours sincerely

Nigel Chartres
EXECUTIVE DIRECTOR
OFFICE OF INFORMATION AND COMMUNICATIONS

Enclosures:

- Submission to House of Representatives Radio Industry Inquiry
- Communications Audit: The Needs of Regional Western Australia, Executive Summary, The Boshe Group, May 1997,
- Submission to Mansfield Review of the ABC, September 1996
- Submission to Digital Radio Advisory Committee, February 1996
- Communications Impact Assessments, A Discussion Paper, Brian J. O'Brien & Associates, January 1998