Question No: 401

Program No. 1.3

Hansard Ref: EC 88

Topic: Progress on audio description trial

Senator Ludlum asked:

Senator LUDLAM—Does anyone from the department or representing the minister or even the minister himself want to provide us with an update?

Senator Conroy—, I would have to get some advice on where it is up to.

Senator LUDLAM—I am okay with that. Would you like to do that now while I change the subject?

Senator Conroy—I am sure I will have some officers back at the table shortly.

Answer:

The final report into the *Investigation into access to electronic media for the hearing and vision impaired* (the Media Access Review) was tabled in Parliament on 3 December 2010, and outlined 22 recommendations to increase access to electronic media for the vision and hearing impaired.

Recommendation 5 of the report states:

That the Government commissions a technical trial of audio description on the Australian Broadcasting Corporation in the second half of 2011, subject to funding approval.

The government is moving to address the recommendations in the final report, however, the proposed audio description trial is subject to funding approval.

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 402

Program No. 1.3

Hansard Ref: EC 99

Topic: Rollout of Self-Help upgrades and gap fillers

Senator Troeth asked:

Senator TROETH—I now move to Queensland. Is it true that regional broadcasters in Queensland have indicated that they will roll out some 24 self-help upgrades and new gap fillers? **Senator Conroy**—The TV stations you are talking about?

Senator TROETH—Yes, TV.

Ms O'Loughlin—I will confirm the figure in a moment, but that sounds around about right. There are a mixture of gap fillers and self-help facilities which will also be rolled out by the broadcasters in Queensland.

Senator TROETH—You may need to take this on notice. When you do ascertain that, could you publish a list of those 24 and the communities affected?

Ms O'Loughlin—I think they are actually published in what is called our black spot report, which was tabled in parliament on 9 February. So there is a full list in that report of the expected gap fillers.

Senator TROETH—Does that tabling include how many of those 24 have been commissioned to date?

Ms O'Loughlin—It gives an indication, but I think it would be best if we took that question on notice for you.

Senator TROETH—Yes. And can you provide an expected time for the commissioning date of each?

Ms O'Loughlin—Yes. We can certainly do that and take that on notice.

Senator TROETH—Can you also add to that table whether those expected dates are guaranteed, pretty certain, untested et cetera? That is, give us a reasonable professional view of the department's expectations.

Ms O'Loughlin—We are certainly happy to take that on notice. I would note that we are reliant on the broadcasters for that information. Often you will find that, particularly in an area like Queensland, where there is in normal circumstances difficult topography and various things that can happen on the ground, sometimes those dates can change a little. We need to give the broadcasters that flexibility to enable them to complete those rollouts. But we can certainly take that on notice and give you an indication as best we can.

Answer:

Yes. Below is a list of 21 sites in Regional Queensland that are self-help and gap filler sites where commercial broadcasters intend to extend digital terrestrial services, current as of 22 March 2011. These dates are as planned and advised by broadcasters, but may still be subject to changes in individual circumstances and unforseen events occur.

Regional Queensland – Self-Help upgrades

Self-Help Site (Area Served)	Expected Date of Commencement
Flame Tree & Jubilee Pocket	6 May 2011
Little Mulgrave (Goldsborough Valley)	12 May 2011
Mount Morgan	12 May 2011
Redlynch	17 May 2011
Agnes Water	18 May 2011
Cooloola Cove (Tin Can Bay)	11 May 2011
Crows Nest	1 June 2011
Connondale	To be advised This site is to be upgraded by regional broadcasters but is located in the Brisbane switchover area, which will not switch until 30 June 2013.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Regional Queensland - Gap fillers

Gap Filler Site (Area Served)	Expected Date of Commencement
Mapleton	To be advised This is located in the Brisbane switchover area, which will not switch until 30 June 2013. It will provide regional commercial services.
Moura	19 April 2011
Mundubbera	9 April 2011
Nanango	23 April 2011
Peregian Beach	To be advised This is located in the Brisbane switchover area, which will not switch until 30 June 2013. It will provide regional commercial services.
Point Arkwright	To be advised This is located in the Brisbane switchover area, which will not switch until 30 June 2013. It will provide regional commercial services.
Rainbow Beach	23 April 2011
Sarina Beaches	3 May 2011 This gap filler site is intended to provide coverage for the community currently served by the Sarina self-help site.
Tin Can Bay	7 May 2011
Picnic Point (Toowoomba East)	2 May 2011
Top Camp (Toowoomba South)	3 May 2011
Wonga Beach	10 June 2011
Yarraman	14 May 2011

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio

Department of Broadband, Communications and the Digital Economy

Question No: 403

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

- **Senator Birmingham asked:**
- 1. How many set top boxes have been sold in Australia?
 - a. How many of these are standard definition and how High definition?

Answer:

- 1. The Department uses data collected through the department's Digital Tracker (tracking household digital television conversion rates) as a guide. However, does not have access to definitive figures.
 - a. The 4th quarter Digital Tracker results showed that of the 77 per cent of Australian households who had converted to digital television on the main set, 25 per cent did so by a set top box or digital TV recorder.

Of set top box conversions:

- 33 per cent were Standard Definition; and
- 67 per cent were High Definition.

Of Digital TV recorder conversions:

- 27 per cent were Standard Definition; and
- 73 per cent were High Definition.

It should be noted that 75 per cent of households converted by purchasing a new digital television set rather than a set top box and of these:

- 7 per cent were Standard Definition; and
- 93 per cent were High Definition.

Across all converted households regardless of their method of conversion:

- 13 per cent were Standard Definition; and
- 87 per cent were High Definition.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 404

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Is the department aware of significant difficulties being experienced by residents in the Regional South Australia switchover area?
 - a. Has the Department investigated these problems?
 - b. What does the department believe is the cause of these problems?
 - c. What actions does the department intend taking?
 - d. What advice has the department provided to people in the switchover area?

Answer:

- 1. A number of reception issues being experienced by residents in regional South Australia have been brought to the Department's attention.
 - a. Yes.
 - b. Reports of reception problems in some parts of South Australia, such as Moonta and Snowtown, have been shown to primarily relate to attempts to receive the distant service of Adelaide in order to watch digital channels that are not currently available in regional South Australia.

Attempts to obtain reception of services from two different sources through the same antenna and cables can result in an unsatisfactory digital television viewing experience. The weaker signal can cause interference to the stronger signal transmitter from local services.

In Port Lincoln the Department identified that some households were not watching the best available local signals, without realising that their television set was listing the weaker signals in its menu of channels.

In addition to these problems, some residents suffer from more general reception issues such as distance from the transmitter, topography, poorly maintained or inadequate antennas, and electrical interference (for example from appliances or electric fences).

c. & d. On 9 November 2010 the Government announced it would assist the commercial broadcasters in regional South Australia to provide all digital multi-channels, which will mean the local digital services will carry the same range of digital channels as is available in Adelaide. This will make it unnecessary for people to try and get Adelaide services.

The Department has provided advice on the use of reception equipment which is appropriate for the area. It has identified and recommended reception of local (optimal) regional South Australian sites as opposed to attempts to receive fortuitous services from Adelaide.

Additional regional specific information material is being prepared based on reception issues identified by residents during visits by the Taskforce both before and after switchover.

The Department provided specific on the ground advice for the Port Lincoln area to assist residents in optimising reception of their local services and by identifying reception equipment that required upgrading or replacement.

Residents in the areas of Moonta, Snowtown and Port Augusta or other areas in regional South Australia who live in reception black spots due to terrain, inadequate coverage by commercial broadcaster services or localised issues such as buildings and trees blocking signals may apply to access the View Access Satellite Television satellite service to receive the full range of digital channels and local news.

Question No: 405

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Is the department aware of widespread problems with reception on the Lower Yorke Peninsula—which is in the Adelaide switchover zone—since the switchover in regional SA.
 - a. What does the department believe is the cause of these problems in the non-switchover area?
 - b. What has is done to rectify these problems?

Answer:

- 1. A number of reception issues being experienced by residents in regional South Australia (including in areas such as the Lower Yorke Peninsula) have been brought to the Department's attention.
 - a. Viewers in Lower Yorke Peninsula area who are situated in the Adelaide switchover area may have been receiving fortuitous analog reception either from the transmitter in Port Lincoln or another transmitter located in the Spencer Gulf licence area, which were switched off following switchover in regional South Australia on 15 December 2010.
 - b. Viewers who are located in the Adelaide switchover area of the Lower Yorke Peninsula who have experienced reception difficulties following the switching off of analog television in regional South Australia are advised to ensure that their antennas are pointing towards the Adelaide transmitter.

Staff from the Digital Switchover Taskforce and the Department continue to work with viewers and local broadcasters to investigate their individual issues of reception difficulty reported throughout South Australia, including the Lower Yorke Peninsula, as they do with viewers across Australia.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011 Broadband, Communications and the Digital Economy Portfolio

Department of Broadband, Communications and the Digital Economy

Question No: 406

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Are Government contracted installers SkyBridge and Techlife installing masthead amplifiers on aerials in these areas?
 - a. Does the department have advice suggesting such amplifiers are required in these areas?
 - b. What recourse do customers have if they are unhappy with the quality of their reception?

Answer:

- 1. Yes, where it is deemed to be required.
 - a. Amplifiers are installed based on the signal strength recorded at the individual premises.
 - b. Household Assistance Scheme customers have access to 12 months post-installation care, including a helpline provided by the government service contractor. Customers can also contact the Digital Ready Information Line about reception issues.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011 Broadband, Communications and the Digital Economy Portfolio

Department of Broadband, Communications and the Digital Economy

Question No: 407

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Is the Department aware of a fault in a batch of set-top boxes used by its contracted installers?
 - a. Have all set-top boxes installed from this batch been replaced?
 - b. Was any cost of the replacement borne by the Government?

Answer:

- 1. Yes, there was a fault involving a minor software issue in terrestrial television set-top boxes used by contracted installers.
 - a. No, the set-top boxes were not replaced, instead a patch was installed by the installers to each set-top box to correct the problem.
 - b. No cost was borne by the Government in patching the set-top boxes.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio

Department of Broadband, Communications and the Digital Economy

Question No: 408

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. How many residents in the South Australian regional switchover area have lodged complaints with DigitalReady?
 - a. How many have enquired about receiving a VAST satellite subsidy grant?
 - b. How many grants have been approved in the SA regional switchover area?
 - c. How many applications or enquiries have been rejected?

Answer:

1. a. The Digital Switchover Taskforce responded to 69 queries from households in regional South Australia that had been referred from the Digital Ready Information Line. Referred enquiries typically involve a more complex analysis of individual circumstances including an assessment of the rural address match and a check of the digital coverage and scheme eligibility, based on the Australian Communications and Media Authority digital TV coverage maps and defined Satellite Subsidy Scheme (SSS) Eligible catchment areas. The Department is not able to easily quantify South Australian inquiries that have been received via the Digital Ready website as there is no requirement for people to leave postcode or locational information.

The Department is aware of approximately 40 complaints referred from Members and Senators

- b. A total of 295 installations were approved for eligible households in regional South Australia through the SSS.
- c. 20 households in the regional South Australian switchover area attempting to opt-in to the SSS were assessed as not being eligible for the Subsidy. The majority of these households had already opted-in, or received assistance from, the Household Assistance Scheme. Applications from outside the Melrose/Wilmington eligible area were also screened and assessed as being ineligible for assistance

Question No: 409

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

What advice does the DigitalReady hotline give to residents who are unhappy with their digital reception?

Answer:

The Digital Ready Infomation Line is able to provide callers with a range of advice on how to improve their digital TV reception.

The Information Line is able to use the MySwitch tool (which is also available online) to help callers determine what digital TV services should be available at their location, which can assist in providing accurate advice on the positioning of antennas and tuning of set top boxes or TV sets to pick up local digital TV services. The information line also provides advice on local Digital Advisors or Endorsed Antenna Installers who can provide further advice and assistance on equipment and reception issues.

The Information Line draws upon advice contained in scripts provided by the Digital Switchover Taskforce on steps that can be taken to address equipment or reception issues, including rescanning or retuning set top boxes and TV sets, checking the condition of antennas, cables and connections; and possible impacts on reception quality. This can include advice on checking alternative transmission sources that might be available in the area or the availability of the Viewer Access Satellite Television satellite service. Callers are encouraged to contact an Endorsed Antenna Installer for further advice on improving digital TV reception.

Question No: 410

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. From the answer to question 109 from the October 2010 Senate Estimates hearings, I understand DBCDE believes the Minister on 30 March wrote to 362 analog self-help licensees that were not at that stage going to have their facilities upgraded to digital by the broadcasters. Of these the answer said some 265 were in remote areas.
 - a. Is it correct that many licensees have more than one self-help facility and hence if we are talking about actual self-help sites the numbers are more likely to be in the order of around 460 in remote areas?

Answer:

1. a. Yes. To clarify the approximate number of sites, some 480 sites in remote areas are not expected to be upgraded to digital by broadcasters. This total is approximated because it includes a small number of remote sites which may not be operational or compliant with licence conditions.

Question No: 411

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

Did the Department advise the Minister that the VAST satellite platform which was required to be the source of any commercial TV channels for digital self-help facilities in remote areas was not compatible with terrestrial retransmission?

Answer:

The Viewer Access Satellite Television (VAST) satellite service was established and is configured for direct-to-home reception as its primary purpose is to provide a satellite based solution for individual households across Australia to access digital television. It was not established or specifically optimised to feed terrestrial retransmission sites whether they were broadcaster operated or privately operated self-help facilities. The department is aware that commercial broadcasters are looking at how terrestrial transmission of VAST can be achieved, however this is likely to be technically complex and beyond the capacity and capability of many current self-help licensees.

The government considers that the VAST satellite service provides a cost effective, equitable and future-proof way of providing digital television to viewers in signal blackspots and in remote areas, including those who are served by self-help terrestrial transmitters.

Terrestrial self-help transmitters have significant limitations: they impose on-going, and not always predictable, costs on local communities and councils for their operation and maintenance; they have an inflexible coverage area which cannot accommodate population shifts beyond the area served by the transmitter; and they can be subject to extended outages when there are transmitter faults if licensees have difficulty accessing spare parts and/or experienced technicians, particularly when transmitters are located in isolated or remote areas. Further, if broadcasters add more digital channels, self-help licensees could face additional costs for re-transmitting their services terrestrially.

Question No: 412

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. In reference to QON 114 from the October 2010 Estimates, the department stated that in developing the subsidy to assist homes in existing self-help areas to convert to VAST that the only input from affected viewers came from the Consumer Expert Group of the Switchover Taskforce.
 - a. Could the Department table any discussion document relating to the development of the subsidy scheme or show any CEG member's written input regarding the scheme before it was announced in April last year and manifest in formal RFT documents on the official Government tenders web site in May last year?

Answer:

1. (a)

The Department, along with the Australian Communications and Media Authority, has had significant contact with communities serviced by self-help facilities over many years. For example, the former Television Blackspots Program which helped establish many of these facilities, was run by the Department. This involved on-the-ground work with these communities and resulted in a significant level of expertise and understanding of issues affecting these communities across Australia. In 2007, the Department commenced a process of dialog with self-help communities through release of a discussion paper on options for conversion of self-help retransmission sites, which is available on the Department's web site, and which canvassed the use of satellite as a replacement for smaller self-help sites.

The Department's knowledge and expertise was augmented by feedback from the Consumer Expert Group (CEG) which was briefed on the Satellite Subsidy Scheme (the Scheme) in May 2010, prior to the Scheme's commencement. CEG members provided feedback on the Scheme verbally at the meeting.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 413

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Is the Department aware that the Minister late last year wrote to a number of entities indicating that essential equipment to enable terrestrial retransmission of commercial TV channels on the new satellite would not be available until January this year?
 - a. How did the Department expect the 265 self-help licensees involving around 460 self-help facilities to approach examination of the digital terrestrial self-help option during the period 30 March 2010 to end January this year?
 - b. Does the Department acknowledge that for entities which the Minister in recent letters has described as "perhaps lacking in technical expertise" might have found some assistance from the Department highly useful in examining the digital terrestrial self-help option?

Answer:

1. (a and b)

The Department is aware that on 7 January 2011 the Minister wrote to the Local Government Association of Queensland (LGAQ) providing a range of information about the conversion of self help facilities in Queensland.

The Department was not made aware of the technical advice being provided to LGAQ by its own advisers. Therefore it was not clear to the Department the technical solutions being pursued or the timing for such a solution until recent hearings of the legislative committee.

The Department does not have extensive technical resources available to provide localised and specialist technical advice to self-help licensees with regard to terrestrial retransmission options in their particular circumstances. The Department did make available, in its 30 March 2010 letter, a general email and phone number for enquiries regarding the Government's Satellite Subsidy Scheme and the Viewer Access Satellite Television (VAST) satellite service.

Each licensee was provided contact details for the Australian Communications and Media Authority (ACMA) for practical licensing and frequency enquiries. Each licensee operates a current retransmission facility. Licensees would be in a position to investigate the existing arrangements with their service providers and to take into account specific local issues in making a decision. The ACMA has provided technical advice to the LGAQ recently in relation to the terrestrial transmission of the VAST service.

Question No: 414

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

Is it true that on or about December last year the Department flagged that remote area self-help licensees would have to tell the Department whether they were going to set up digital self-help facilities – IE not take up the VAST DTH option – by January 31 2011?

Answer:

The Taskforce advised the Local Government Association of Queensland (LGAQ) on 24 December 2010 that self-help licensees in regional and remote Queensland would need to confirm their intentions regarding the upgrading of their self-help towers by 31 January 2011.

This confirmed earlier advice from the Taskforce to representatives of LGAQ and the Remote Area Planning and Development board, provided on 27 July 2010, informing these peak body groups that a decision regarding the intentions of their member councils in relation to the upgrading of self-help towers would be required in early 2011.

On 15 February 2011 the Executive Director of the Digital Switchover Taskforce wrote to all Queensland self-help licensees requesting advice by 28 February 2011.

On 4 March 2011 the Minister announced that this deadline would be extended by one month.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 415

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

Is the Department aware that ACMA has refused to grant the only 3 requests local councils in remote areas of Queensland have so far made for the spectrum required to set up a remote area self-help facility?

Answer:

We understand that the Australian Communications and Media Authority (ACMA) has refused applications for some digital retransmission facilities in remote areas as these applications generally propose to retransmit the commercial television services on Aurora satellite platform which will cease at switchover, as it is being replaced by the Viewer Access Satellite Television (VAST) satellite service.

As at 28 February 2011, the ACMA has refused applications for digital retransmission licences at the following sites in the remote television licence areas of Queensland: Bedourie and Birdsville (Diamantina Shire Council), Aramac and Muttaburra (Barcaldine Regional Council), Carmila, Clairview and St Lawrence (Isaac Regional Council) and Meandarra and Wandoan (Western Downs Regional Council). At such remote sites, retransmission of the full suite of commercial services at that time was not considered to be practicable, applications for digital transmission of ABC and SBS were also refused.

The ACMA has indicated that it would reconsider such applications if a suitable, cost effective solution to retransmitting the VAST satellite service (including Electronic Program Guide and advisory information) could be demonstrated.

As at 28 February 2011, the ACMA had licensed digital retransmission facilities to councils and community groups at:

- Waubra, Harrietville and Learmonth in Victoria for all national and commercial services;
- Morawa in Western Australia and Merriwa in New South Wales for SBS (where the ABC service has already rolled out and full commercial rollout is expected); and
- Bell in Queensland for three commercial services (where ABC and SBS have already commenced).

Question No: 416

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

Is it true that if councils indicate they intend to set up a digital terrestrial self-help facility the Department has told them that the location will be removed from being eligible for the VAST satellite subsidy and homes within those communities will not be eligible if they cannot eventually receive all channels from any new self-help facility?

Answer:

To be eligible for a satellite subsidy, an eligible household must rely upon a TV signal transmitted from an analog self-help tower that is not being converted to digital. If a self-help tower is converted to digital, then households that relied on that site for a TV signal will no longer be eligible for a subsidised satellite TV installation. However, these households may still be eligible for access to the Viewer Access Satellite Television satellite service, although they would need to pay for the purchase and installation of the equipment themselves.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 417

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Have the 18 Remote Indigenous Communities included in the regional and remote Queensland satellite subsidy scheme been asked to make a decision one way or another concerning DTH VAST or digital terrestrial?
 - a. What was the time frame given for these communities to make this decision?
 - b. If so how does that fit into consideration of the Stevens Report into Indigenous Broadcasting?
 - c. If not why are various self-help communities being treated differently?

Answer:

1. (a,b and c)

In March 2010 self-help licensees, including the 18 Remote Indigenous Communities, were written to by the Minister regarding the decision between Direct To Home Viewer Access Satellite Television and digital terrestrial.

In December 2010, advice was also provided to the Local Government Association of Queensland (LGAQ) that self-help licensees in regional and remote Queensland would need to confirm their intention regarding the upgrading of their self-help towers in early 2011.

This confirmed earlier advice from the Taskforce to representatives of LGAQ and the Remote Area Planning and Development board, provided on 27 July 2010, informing these peak body groups that a decision regarding the intentions of their member councils in relation to the upgrading of self-help towers would be required in early 2011.

On 15 February 2011, the Executive Director of the Digital Switchover Taskforce wrote to all self-help licensees about the conversion to digital television. Recipients again included the 18 Remote Indigenous Communities in regional and remote Queensland that are potentially eligible under the Satellite Subsidy Scheme. Self-help licensees were asked to make a decision on whether they intended to convert their self-help tower to digital or to access digital television via satellite, and advise the Department of their decision by 28 February 2011. This date was subsequently extended by the Minister by one month.

The Stevens Report into *Indigenous Broadcasting* is under consideration by the Government.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011 Broadband Communications and the Digital February Portfolio

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 418

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

1. The official timescales for the so called satellite subsidy scheme provided by the Taskforce to its various stakeholder Working Groups say that for the remote areas of Queensland (not regional areas) the start date for 'opt in' into the satellite subsidy scheme for homes is 20 April 2011.

However the same deadlines show that applications for the subsidy close in remote areas of Queensland on 20 January 2012. That's 11 months away.

- a. Why therefore is DBCDE requiring remote area Queensland councils to determine once and for all on behalf of their ratepayers whether they will set up a digital self-help facility by the end of February?
- b. Is this change in deadlines designed to make it as difficult as possible for local Councils in remote areas of Queensland to set up a digital self-help facility?

Answer:

On 21 January 2011, the Digital Switchover Taskforce confirmed a deadline of 28 February 2011, for Councils to finalise their decision regarding possible upgrades of analog self-help analog towers. The confirmation was required by this date, so that this information can be incorporated into the service contractor's scope of work for the delivery of the Satellite Subsidy Scheme (SSS) prior to the awarding of contracts. This date was subsequently extended by the Minister in his media release of 4 March 2011.

Since that time, the Taskforce has continued to consult with Councils to facilitate their decision and to ensure that they are informed about the operation of and timeframes for the SSS. The Taskforce intends to commence writing to households in areas served by analog self help towers on the week beginning 6 June 2011 to invite them to opt in to the SSS, and has consulted with the Local Government Association of Queensland and the Remote Area Planning and Development Board over the wording of this invitation. The Taskforce has advised Councils that it needs to know by 20 June 2011 whether or not they wish to upgrade self help towers, after which it will commence delivery of the SSS to households in locations where there has not been a specific decision to upgrade the self help tower by the Council.

The Government does not consider viewers in remote areas of Queensland who are eligible for the subsidy now at the same time as viewers in regional Queensland, should have to wait a further two years to access the full benefits of digital television. In addition there are important economies of scale to be derived from combining the delivery of the SSS in regional and remote Queensland at the same time, because the size of the overall contracted body of work is larger allowing for lower per unit costs. This will reduce the size of the co-payment required by households.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 419

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Would it be a fair presumption to reach that the Department is not in favour of digital terrestrial self-help facilities being established?
 - a. If so how did the Department reach this view despite around 460 remote area communities choosing terrestrial retransmission over DTH reception in the pre-existing Aurora satellite environment over the past 13 years and without expressly asking such licensees for their views on VAST and the development of the satellite subsidy scheme?

Answer:

1. (a)

No. However, the government recognises that both terrestrial infrastructure and a satellite service are required to provide all Australians with access to the full range of digital television services. Government policy does not advocate a preferred method of digital television reception.

Viewer Access Satellite Television (VAST) is part of a commitment by government to improving television services across Australia through digital conversion. For example, the government has committed substantial resources to regional broadcasters, to assist them to convert their existing terrestrial sites to digital, under a program called the Regional Equalisation Plan. The government has also committed further resources to help broadcasters in underserved areas—those with fewer than the full suite of 16 channels—to establish those additional channels. In addition, the Department is working closely with the broadcasters in relation to a number of terrestrial self-help sites they are taking over, as well as with the roll out of a number of other digital gap fillers. Broadcasters already have a statutory requirement placed on them to convert their existing terrestrial transmission sites.

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

The government considers that the VAST satellite service provides a cost effective, equitable and future-proof way of providing digital television to viewers in signal blackspots and in remote areas, including those who are served by self-help terrestrial transmitters.

Terrestrial self-help transmitters have significant limitations: they impose on-going, and not always predictable, costs on local communities and councils for their operation and maintenance; they have an inflexible coverage area which cannot accommodate population shifts beyond the area served by the transmitter; and they can be subject to extended outages when there are transmitter faults if licensees have difficulty accessing spare parts and/or experienced technicians, particularly when transmitters are located in isolated or remote areas. Further, if broadcasters add more digital channels, self help licensees could face additional costs for re-transmitting there services terrestrially.

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

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

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 420

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Does the Taskforce web site state that the only model of VAST set top box (STB) available costs \$280?
 - a. Is the department aware that a roughly equivalent single HD tuner digital terrestrial STB costs around \$200 less?
 - b. Is it correct that if more wall sockets are required that even during the subsidy scheme home visit something like an extra \$135 is required per socket?
 - c. Is it correct that if a home has a total of 2 TV sets and 2 recorder devices that all 4 such devices will need their own VAST STB to maintain pre-existing analog terrestrial TV domain viewing options?
 - d. Is it correct that an average home wishing to convert 2 TV sets and 2 recorders, that over and above the subsidy they will have to completely pay the scheme co-payment; for 3 extra VAST STBs; and say 3 extra wall sockets?

Answers:

- 1. The retail price for the Viewer Access Satellite Television (VAST) set-top box varies between \$269 279. A discount price of \$242 for a VAST set box and installation services was offered by Skybridge to Victorian households receiving installations under the Satellite Subsidy Scheme (the Scheme) who purchased an extra VAST set top box for installation at the same time as their subsidised Scheme installation.
 - a. The VAST STB includes the new MHEG5 interactive technology to enable easy access to local news content. This technology is also used in the latest Freeview terrestrial STBs which are more expensive than non-Freeview compliant STBs. In addition the satellite STB includes a conditional access module, and other software which allows the STB to offer ongoing improvements to functionality for viewers. This additional work has contributed to the cost of the VAST STB.
 - b. Prices for optional services such as additional wall plates have not been finalised as tenders for the provision of the Scheme in Queensland are in the evaluation period. For the Scheme in Victoria, the installation price for additional cabling and a wall plate was \$121.
 - It should be noted that a requirement for additional cabling and wall plates is not unique to satellite receivers. Any viewer wishing to distribute signals from an external fixed terrestrial aerial around a dwelling will need cabling, wall plates and potentially signal amplifiers. Portable "rabbit ears" aerials will not provide good reception in many areas of Australia particularly in lower signal strength rural areas.

- c. Analog terrestrial televisions and recorders will each need to be connected to a separate digital set-top box in order to display or record television after analog switch off. It is likely that VAST Personal Video Recorders, with both receiver and recording functionality, will become available in the second half of 2011, removing the need to convert Video Cassette Recorders (VCRs) or other analog recording devices. Satellite television is not unique in relation to the need to convert VCRs all analog VCRs, including in terrestrial homes, will need their own set top box to continue to function as recorders after switch off of analog services.
- d. The Scheme only converts the main television set per household. This is consistent with the Government's approach across metropolitan and regional areas. Additional wall outlets and VAST set-top boxes are available to the householder as "Optional Services" from the Scheme contractor. It should be noted that many households that will convert to VAST have, for many years, received their television via satellite as the only way they can receive a signal. Many choose to make the investment to have multiple receivers in their homes. More than 10,000 households have taken up VAST to date, the majority of which have received no government subsidy.

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 421

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Is it true that according to the Departments Qld SSS RFT documents that the current Normanton analog self-help facility covers 552 households and that the SSS subsidy to each of those households would be \$700?
 - a. Is it also true that all homes in Normanton would have to make a co payment of between \$200 and \$350 for the conversion of just one TV set to VAST and the Department would pay the successful installer contractor a Management Fee of \$70 per home?

On the basis of those figures it will cost the Government and home viewers in Normanton around \$600,000 to convert just one TV set to VAST and connect it to one wall socket in one room.

b. In late December the Minister wrote to a number of entities suggesting that setting up a digital terrestrial facility to retransmit all VAST channels would cost between \$110,000 and \$270,000. Is it correct that for no saving to Government, current policies preclude using SSS pooling to set up a facility in Normanton that would be at least \$300,000 cheaper for the town's residents?

Answer:

- 1. 552 households is estimated to be the maximum number of potentially eligible households in the Normanton area.
 - a. The cost of converting all eligible households in Normanton will depend on the outcome of contractual negotiations for the Queensland component of the Satellite Subsidy Scheme (the Scheme) (which will determine both the co-payment amount and the management fee) and the number of households which take up the Scheme.

Accurate cost comparisons between terrestrial transmission and satellite are difficult to make because the upgrade and operating cost of terrestrial self-help retransmission facilities is potentially unique to each site, and the costs of installing direct-to-home satellite also vary. For example, the upgrade of a self-help retransmission site might require complete replacement of all broadcasting infrastructure at a site, or it might require only some items to be upgraded if others are already suitable for digital transmission. It might also require replacement or upgrade of the electricity supply and air conditioning at the site. Ongoing operational costs for terrestrial retransmission will depend on the level of servicing provided, the time period over which any service contracts operate, and the timeframes for service responses. The costs of receiving digital terrestrial signals in homes and businesses will also vary depending on their location, number of receivers and the suitability of their existing antenna arrangements.

For example, while some premises may be able to receive digital services with existing indoor antennas, others served by the same terrestrial site may need to modify or install a new external antenna or a high gain antenna with a masthead amplifier. Additionally, satellite delivery will incur one-off costs for consumers and broadcasters rather than the ongoing nature of terrestrial transmission costs for licensees.

b. The comparison is also not a simple matter of cost. The Government gave extensive consideration to the merits of different options to ensure that all Australians are able to receive the same number of television channels as are available in capital cities. A satellite service is required regardless of terrestrial upgrades – it is not feasible or economically viable to provide the full range of digital channels to virtually all Australians by terrestrial means alone.

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio

Department of Broadband, Communications and the Digital Economy

Question No: REVISED 421

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Is it true that according to the Departments Qld SSS RFT documents that the current Normanton analog self-help facility covers 552 households and that the SSS subsidy to each of those households would be \$700?
 - a. Is it also true that all homes in Normanton would have to make a co payment of between \$200 and \$350 for the conversion of just one TV set to VAST and the Department would pay the successful installer contractor a Management Fee of \$70 per home?

On the basis of those figures it will cost the Government and home viewers in Normanton around \$600,000 to convert just one TV set to VAST and connect it to one wall socket in one room.

b. In late December the Minister wrote to a number of entities suggesting that setting up a digital terrestrial facility to retransmit all VAST channels would cost between \$110,000 and \$270,000. Is it correct that for no saving to Government, current policies preclude using SSS pooling to set up a facility in Normanton that would be at least \$300,000 cheaper for the town's residents?

Answer:

1. 552 households is estimated to be the maximum number of potentially eligible households in the Normanton area. Normanton is in an area where the amount of subsidy is \$700 per household.

The cost of converting all eligible households in Normanton will depend on the outcome of contractual negotiations for the Queensland component of the Satellite Subsidy Scheme (the SSS) (which will determine both the co-payment amount and the management fee) and the number of households which take up the Scheme. Based on experience to date the co-payment is expected to be between \$200 - \$350 per household (the co-payment in both regional Victoria and regional South Australia was \$200).

Accurate cost comparisons between terrestrial transmission and satellite are difficult to make because the upgrade and operating cost of terrestrial self-help retransmission facilities is potentially unique to each site, and the costs of installing direct-to-home satellite also vary.

Normanton is one of the largest towns eligible for SSS assistance and is not indicative of the whole program. The cost of delivering the SSS in smaller towns in most of Australia is much less. For example, the majority of SSS-eligible towns would fall within the \$550 or \$400 subsidy level; for a town of 150 households with a subsidy of \$550 per household the

Senate Standing Committee on Environment and Communications Answers to Senate Estimates Questions on Notice Additional Estimates Hearings February 2011 Broadband, Communications and the Digital Economy Portfolio

Department of Broadband, Communications and the Digital Economy

cost of the subsidy component is less than \$85,000, well below the cost of re-transmission as described in the Senator's question. This is a one-off cost for households, and the costs to Councils is nothing.

Councils opting to convert terrestrial infrastructure face both a significant up front capital cost (to re-transmit 16 channels of digital television) and long-term operating costs including electricity and maintenance. Households also face costs including purchasing digital equipment, and possible upgrades to aerials. In a remote township like Normanton, the cost of installing a set top box for one television set, aerial work, labour and travel are likely to be over \$500 per household.

Additional cabling work within the home would be needed for both satellite and terrestrial (using an external aerial) to provide signal to second and additional sets. In either case, additional digital receivers are needed (one per television).

The comparison between terrestrial and satellite is not a simple matter of cost. The Government gave extensive consideration to the merits of different options to ensure that all Australians are able to receive the same number of television channels as are available in capital cities. The Government considers that satellite is an efficient, effective and equitable system for delivering television where there are no terrestrial signals, as is already evidenced by the thousands of existing satellite television households in Australia receiving free to air or pay TV services. Additional channels can be added easily if they become available, and viewers are guaranteed of a professionally-maintained service with commercial-grade performance targets. A free to air satellite service is required regardless of terrestrial upgrades – it is not feasible or economically viable to provide the full range of digital channels to virtually all Australians by terrestrial means alone.

Pooling of SSS funding

The Minister for Broadband, Communications and the Digital Economy has advised Queensland Councils that the Government is not prepared to support pooling of SSS funding for terrestrial conversions. Pooling would result in:

- uncertain and inconsistent outcomes for consumers in these areas;
- increased risk that timeframes for switchover will not be met;
- uncertainty in the level of government funding required now and into the future; and
- an administratively complex scheme requiring individual contractual arrangements with an unknown proportion of 360 self-help licensees across Australia, layered on top of the current SSS which is already challenging to deliver.

Question No: 422

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Could the Department reveal its own cost benefit breakeven number for communities fully converting all their pre-existing analog free to air TV reception facilities to VAST compared with setting up a digital terrestrial self-help facility?
 - a. Has it done such work?
 - b. If not how can it advocate so strongly for one conversion option DTH VAST over another self-help digital terrestrial?

Answer:

1. (a and b)

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

The comparison is also not a simple matter of cost. The Government gave extensive consideration to the merits of different options to ensure that all Australians are able to receive the same number of television channels as are available in capital cities. A satellite service is required regardless of terrestrial upgrades – it is not feasible or economically viable to provide the full range of digital channels to virtually all Australians by terrestrial means alone.

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2011

Broadband, Communications and the Digital Economy Portfolio Department of Broadband, Communications and the Digital Economy

Question No: 423

Program No. 1.3

Hansard Ref: In Writing

Topic: Digital TV Switchover

Senator Birmingham asked:

- 1. Can the Department provide any cost benefit studies and detailed modelling options that were conducted for:
 - a. The new VAST free-to-air TV satellite platform vis a vis a greater digital terrestrial rollout;
 - b. The particular model of VAST vis a vis what is understood to be at least 2 other options put forward by other industry players;
 - c. Why Optus was chosen as the delivery platform for VAST and UEC was chosen as the exclusive supplier of VAST set top boxes;
 - d. The development of the current HAS welfare assistance and SSS self-help community assistance schemes.

Answer:

1.

- a. A satellite service has been provided for many years (the current Aurora service) and satellite continues to be required to complement terrestrial services in Australia in order to provide television to a significant number of Australian homes. A replacement for the existing Aurora satellite service was necessary to meet the government's objective of comparative equality of television services for all areas of Australia, that is, the provision of the full 16 digital channels and local news service. Greater terrestrial rollout was also supported by the government through regulatory obligations on commercial broadcasters and funding for broadcasters in regional, remote and underserved areas of Australia The department provided a range of advice to government on options to achieve its switchover objectives through improved terrestrial and satellite infrastructure.
- b. The government considered a range of advice on the provision of satellite television services. This was considered against delivering the government's policy objectives for providing equivalence of television services and the widest possible coverage across Australia. The Viewer Access Satellite Television (VAST) satellite service was implemented on the basis that it best met the policy objectives sought by the government.
- c. Optus was selected by the Joint Venture company Eastern Australia Satellite Broadcasters having regard to a set of criteria which included a minimum of disruption and expense to existing satellite viewers across Australia. UEC was chosen as the initial provider of settop boxes to the VAST platform through a process conducted by Optus to meet broadcasters' requirements for set-top box availability, reliability and signal security in initial switchover markets. Other models of set-top boxes are likely to become available later this year, provided they undertake the necessary testing and approval to ensure they meet minimum technical specifications.

d. Development of Household Assistance Scheme (HAS) was informed by a range of public information on overseas experience in digital switchover, notably the report *Digital Television Switchover and Disabled, Older, Isolated and Low Income consumers*, prepared for the United Kingdom Office of Communications

http://stakeholders.ofcom.org.uk/market-data-research/tv-research/dsoind/dso-research/. A range of options were considered by the government in developing the HAS and Satellite Subsidy Scheme programs.