

# Driving digital take-up

In her keynote address, the Minister for Communications, Information Technology and the Arts Senator Helen Coonan, looked into the future of broadcasting, and announced new reviews and plans for the industry. Here is an edited extract from that speech.

It is my pleasure to be here for the first ever Australian Communications and Media Authority Broadcasting Conference. I regard the creation of ACMA as one of the first legislative achievements I have had in this portfolio.

I would like to thank everyone from the former ABA and ACA for their hard work, flexibility and patience over the past few months. It is your commitment to the merger that has ensured its success.

I also thank the ACMA Board and its Acting Chair Lyn Maddock for their hard work and commitment. I can again applaud Lyn for taking on the role during the agency's formation, for the excellent job she is doing and her continued commitment.

## BROADCASTING REGULATION

At a time when governments are under increasing scrutiny for the levels of regulation they impose, it is prudent to consult with industry, the community and other stakeholders and then only regulate to the extent necessary.

A report commissioned by the former ABA on its enforcement powers found that ACMA would benefit from a more appropriate gradation of powers.<sup>1</sup>

Enforcement powers of regulators ideally comprise a hierarchy of integrated sanctions that start from light touch and escalate in severity for more serious contraventions of the law.

ACMA's broadcasting regulatory powers are generally

concentrated at the higher end and the imposition of a criminal penalty, or the draconian punishment of licence cancellation, is rarely appropriate.

Any change to ACMA's powers would be to enable a more responsive regulatory approach, particularly in the area of broadcaster codes of practice and licence conditions, and to encourage better industry compliance.

So I am releasing a discussion paper outlining

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potential reforms to the *Broadcasting Services Act 1992* to provide ACMA with a more appropriate suite of powers.<sup>2</sup>

The options include the introduction of civil penalties for a range of breaches that currently attract criminal sanctions. This would give ACMA greater flexibility to address non-compliance and avoid the need to pursue more draconian responses in all but the most serious of cases.

The paper also canvasses giving ACMA the power to obtain injunctions where commercial broadcasting services are being provided without an appropriate licence and a power to accept enforceable undertakings from industry.



SENATOR COONAN

The government is considering whether ACMA should have the capacity to order on-air statements of investigation findings and the power to issue infringement notices for breaches of various notification, reporting and licence fee payment requirements.

Any changes would enable ACMA to set better compliance strategies, negotiate outcomes and accept voluntary solutions. This can benefit the regulatory process and industry alike.

strive for analog switch-off.

We still face big challenges in driving take-up to achieve analog switch-off in a reasonable timeframe. Australians value their free-to-air television and there is no single silver bullet that will ultimately encourage all Australians to shift to digital.

If Australia does not accept that digital is our destiny, then we will be left behind. Other countries are moving forward rapidly in their digital conversion. Now is the time to energetically and proactively drive digital take-up.

The government has been conducting a series of reviews into aspects of the digital television regime, including whether 2008 is a realistic timeframe for analog switch-off. My aim in broadening the scope of this review to formulate a digital action plan for Australia is simple.

To drive digital take-up we must have a consortium of committed stakeholders—from manufacturers and retailers to broadcasters, consumers and government—that recognise the financial and technical benefits in reaching switch-off for the ultimate benefit of all Australians.

I have doubts that we will be able to switch off analog television by the end of 2008. In looking at a new date for analog switch-off I do not want to push the date back too far. As in the UK and Europe, we may be able to take a region-by-region approach. This could feasibly mean, for instance,

## THE DIGITAL CHALLENGE

Another area of reform where ACMA will make a significant contribution is in Australia's transition to digital television.

I note with great interest that ACMA will release a report at this conference—*Digital Media in Australian Homes*—which looks at the rate of adoption of digital television in Australia, community perceptions of digital television and the drivers and inhibitors of adoption of digital television.

One of the major issues I am considering as part of a far-reaching plan to reform the media sector in Australia is how the government can better facilitate the take-up of digital television, and energetically

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## DRIVING DIGITAL TAKE-UP

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switch-off in Sydney by 2010 with other areas to follow.

The longer we have a simulcast requirement, the longer we continue to tie up valuable spectrum. This spectrum could be used for new services, as well as being used to solve some technical congestion and coverage problems.

We will need careful planning to prepare for and manage analog switch-off. It will be a challenging and substantial task that will require contributions from, and coordination of, all stakeholders. The government is firmly committed to achieving it sooner rather than later.

Everyone stands to benefit from the conversion and our future depends on its success. We are committed to working with industry to develop a digital action plan to energetically promote and encourage take up of digital television.

### DRIVING TAKE-UP

I make no bones about the fact that in considering the digital challenges for the media industry I see the interests of consumers as the end-game.

DISCUSSION TIME

I am interested in a proactive proposal to drive digital take-up in the short term coupled with a comprehensive plan to switch-off analog in the medium term.

The good news is, we don't have to stand still. There are already a number of self-executing provisions in the Broadcasting Services Act that have the potential to deliver exciting new services now.

### DATACASTING

One matter I have under consideration is the allocation of datacasting transmitter licences using the two channels currently set aside in all markets for such services.

From 1 January 2007, datacasting transmitter licences will be able to be used to provide any type of content service licensed under the Broadcasting Services Act other than a full, free-to-air, commercial, terrestrial channel.

The use of the datacasting spectrum provides the opportunity for some interesting new services for consumers and, in my view, it is a key element of any media reform package.



QUESTION TIME

Whatever decision the government makes about how the spectrum should be allocated and used, there are a range of technical issues that will need to be resolved.

To assist the government to make decisions about the potential use and allocation of the spectrum, I have asked ACMA to commence work on technical and planning matters related to the allocation of this spectrum.

This may involve ACMA formally consulting with industry on possible uses for this spectrum and how it should be sold or packaged; undertaking preliminary technical planning of the available datacasting channels; and examining what conditions could or should be placed on the issue of licences.

### BROADER MEDIA REFORM

The extent to which we are able to drive digital take-up and enable digital broadcasting to provide additional sources of content for audiences will be a key issue in how we approach media ownership reform.

We need to strike a balance between removing obstacles to structural changes in the industry and allowing Australians to have access to and to enjoy new and innovative services made

possible by the revolution in digital services.

Following informal consultations with industry, today I can state my intention to release a discussion paper outlining proposals for digital and media reform in Australia.

The paper, which will be released at the beginning of next year, will include a discussion on the early and best use of the datacasting spectrum, the steps needed to develop a digital action plan to achieve analog switch-off and how the objectives of relaxation of foreign and cross ownership media rules can be best achieved in the context of greater choice and diversity offered by digital broadcasting.

Responses to this paper will be an important input into what will probably be the most important set of media reforms in a generation—and certainly our best chance to ensure that Australians continue to fully benefit from a robust and free media and the emerging opportunities and challenges of digital.

- 1 *Reform of the Broadcasting Regulator's Regulatory Powers.* [www.acma.gov.au](http://www.acma.gov.au), and go to ACMA > Publications > Authority > Regulatory powers
- 2 See the paper at: [www.dcit.gov.au/broad/policy\\_reviews/proposed\\_reforms\\_to\\_the\\_broadcasting\\_regulatory\\_powers\\_of\\_the\\_australian\\_communications\\_and\\_media\\_authority](http://www.dcit.gov.au/broad/policy_reviews/proposed_reforms_to_the_broadcasting_regulatory_powers_of_the_australian_communications_and_media_authority)

