



**Australian  
Broadcasting  
Authority**

**COMMERCIAL AND NATIONAL TELEVISION CONVERSION  
SCHEMES**

**PART B - Remote Licence Areas**

**Issues Paper**

December 1998

## **INTRODUCTION**

The *Television Broadcasting Services (Digital Conversion) Act 1998* commenced operation in July 1998 (the Digital Conversion Act). The effect of the Digital Conversion Act was to introduce a new schedule (Schedule 4) to the *Broadcasting Services Act 1992*, which provides for the conversion of transmission of broadcasting services from analog mode to digital mode.

The Digital Conversion Act requires the ABA to develop legislative schemes for the conversion of commercial and national television broadcasting services from analog to digital mode commencing 1 January 2001 in metropolitan areas, and progressively in regional areas between 1 January 2001 and 1 January 2004.

The Commercial and National Television Conversion Schemes each have two parts - Part A relates to metropolitan and regional licence (or coverage) areas; Part B relates to areas which the Australian Broadcasting Authority (ABA) determines to be remote licence areas.<sup>1</sup> A draft Part A of the CTC Scheme was released for comment on 30 October 1998 and a draft National Scheme has also been released for comment on 23 December 1998. A draft Part B is expected to be released for comment in early 1999.

## **THE PURPOSE OF THIS DOCUMENT**

The *Television Broadcasting Services (Digital Conversion) Act 1998* (which adds Schedule 4 to the *Broadcasting Services Act 1992*) sets out policy objectives in subclauses 6(3) & 19(3) of the Schedule. Part A of the Schemes must be directed towards ensuring those policy objectives are achieved. The legislation is virtually silent on the policy objectives of Part B. However, clauses 14 and 28 require the ABA, when formulating (or varying) Part B of the CTC Scheme and the National Scheme, to have regard to the special circumstances that apply to the transmission of television broadcasting services in remote areas. The ABA is proposing to consult with interested parties on what objectives it should assume for Part B of the Schemes, including considering whether and to what extent the objectives identified for Part A might be appropriate for Part B.

The ABA has identified a number of significant issues requiring consideration before it can develop a draft Part B of the Schemes, which deal with digital conversion for remote licence areas. This document sets out the issues and seeks comment on them, and any other relevant issues, from interested parties.

### **Submissions to the ABA**

Submissions on the issues raised in this paper may be made to the ABA as follows:

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<sup>1</sup> Clause 5 of Schedule 4 allows the ABA to determine in writing that a specified licence area is a "remote licence area" for the purposes of the Schedule. A remote coverage area is defined to mean an area that corresponds to a remote licence area.

by email: digital@aba.gov.au

by mail: Part B, Digital Television Conversion Schemes  
Australian Broadcasting Authority  
PO Box 34  
BELCONNEN ACT 2616

by fax: (02) 6253 3277

Please quote file reference 1998/5553 in your reply.

The ABA would prefer submissions to be sent by email or on an IBM compatible or Mac 3.5 inch floppy disk wherever possible.

The closing date for submission is 5.00 pm, Friday, 5 February 1999.

All submissions received will be made available for public inspection<sup>2</sup>.

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<sup>2</sup> If you do not wish your submission to be made public please ensure that it is clearly marked "Confidential - Not for the Public File" on the top of the first page of the document.

## **ISSUES**

The process by which conversion of television broadcasting services to digital transmission will take place is set out in the legislative schemes formulated by the ABA: they are the CTC Scheme for commercial television services and the National Television Conversion Scheme for national television services.

Before it begins formulation of Part B of this Scheme, the ABA has identified a number of issues which require consideration. These issues arise given the special circumstances of remote areas, especially those served by the former remote commercial television services (RCTS) - Central Zone (IMP), North East Zone (QQQ), and Western Zone (WAW), which make several of the policy goals for Part A inapplicable.

### **Issue 1: Remote licence areas**

The determination of remote licence areas and the issue of overlaps.

Depending on which licence areas the ABA determines to be a “remote licence area”, there may be regional licence areas that overlap the remote licence areas. It is the ABA’s initial view that where a regional licence area overlaps into a remote area, the overlap should be treated as a remote licence area for the purposes of the Schemes. Licensees in such cases should have the regulatory regime in Part A of the CTC Scheme apply in those parts of its licence areas that do not overlap with remote areas, but should be subject to Part B of the Scheme in the parts of the licence area that overlap into the remote area. This would apply in the same way to the national services.

To illustrate – both the GWN and the WIN television services in Western Australia serve remote and regional parts of the state. However, GWN has four discrete licence areas, while WIN has one large licence area. In the event that the ABA determined that the GWN’s WAW licence area was a “remote licence area” for the purposes of the Schemes, WIN’s new WOW licence area would overlap in part with the WAW “remote licence area”. Under this proposal, the ABA would treat that part of the WOW licence area which overlaps with the WAW remote licence area as being subject to Part B of the CTC Scheme, and the remainder of the WOW licence area would remain subject to Part A of Scheme as it applies to regional licence areas.

- Are there different views or approaches which the ABA might take in relation to determining remote licence areas and dealing with overlaps?

## **Issue 2: Coverage and Reception Quality**

In Part A of the Schemes, broadcasters in metropolitan and regional licence areas are required to achieve the ‘same level of coverage and potential reception quality’<sup>3</sup> for digital transmissions as is achieved by analog transmissions in the same area. The ABA will publish a definition of what constitutes the “same level of coverage” and, under the current draft of Part A of the Schemes, broadcasters are required to submit Implementation Plans showing how the “same level of coverage” will be achieved during the simulcast period.

- Should commercial and national broadcasters be required to achieve the “same level of coverage and potential reception quality” in remote licence areas?
- Should commercial and national broadcasters be required to submit Implementation Plans for remote areas?
- If so, how should an Implementation Plan relate to terrestrial transmissions that are provided on a self-help basis?

## **Issue 3: The Simulcast Period**

The ABA may determine a simulcast period for remote licence areas. The start of this period is the date by which commercial television licensees must commence digital transmissions in an area.<sup>4</sup>

The ABA is considering developing a Part B that would allow it to determine a simulcast period for remote licence areas in consultation with individual broadcasting licensees. In deciding whether to determine a simulcast period for a remote area, the ABA would have regard to the following factors:

- the conversion costs to broadcasters;
- the conversion costs to self-help communities (if applicable);
- the regional equalisation plan.<sup>5</sup>

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<sup>3</sup> See policy objectives 6(3)(f) & 19(3)(f) of Schedule 4.

<sup>4</sup> The simulcast period for metropolitan licence areas will begin on 1 January 2001, and for regional licence areas on a date to be determined between 1 January 2001 and 1 January 2004. National services are also required to begin on, or by, these dates, as approved by the minister.

<sup>5</sup> The regional equalisation plan will specify measures to facilitate the provision of:

- commercial television broadcasting services transmitted in digital mode in regional licence areas, and
- datacasting services in regional licence areas by holders of commercial television broadcasting licences.

#### **Issue 4: The Simulcast Date**

The policy objectives in Schedule 4 specify the date on which a licensee must commence transmission in digital mode in the metropolitan and regional areas. However, licensees may begin transmitting in digital mode earlier than the nominated start date under provisions to be made in the CTC Scheme.<sup>6</sup>

What matters should the ABA take into account in setting the date on which simultaneous transmissions in digital and analog mode would begin (the simulcast date)?

Two relevant matters with respect to the issue of setting a simulcast date are:

- Whether implementation plans are required to be submitted by commercial and national broadcasters; and
- Whether a digital channel plan has been completed for the area.

#### **Issue 5: Self Help Sites**

Transmitters owned and operated by self help communities are not required to convert to transmitting in digital mode. This means that there may be an impact on the introduction of digital television services to these communities.

- Should Part B of the Schemes make provision for self-help communities to choose to convert to transmissions in digital mode?
- What arrangements should be made for transmitters in self-help communities in which the transmitter licence is held by a commercial broadcaster?
- Are implementation plans an appropriate way to approach conversion to digital mode for terrestrial transmissions that are provided on a self-help basis?
- If not, what principles should govern development of Part B of the scheme in relation to self-help sites?

#### **Issue 6: General Content of Part B**

Although this paper has raised some specific issues in relation to the general policy objectives to be achieved by Part A of the Schemes and how they might relate to Part B, Part B does not have to be confined to these issues. The ABA is required to have regard to the “special circumstances” that apply in remote areas.

The ABA is therefore interested in receiving submissions on any aspect of how Part B of the Schemes might work and on the possible contents of Part B.

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<sup>6</sup> Similar provisions are also proposed for the national broadcasters.

## **Conclusion**

Although the ABA is inviting specific comment on the issues listed above, it is also interested in receiving submissions from interested parties on any other issues which affect the content of Part B of the CTC Scheme. The ABA is proposing to develop a draft Part B for both Schemes which will be disseminated for public comment in 1999.