



**Submission on the Australian Communications and Media Authority
discussion paper 'Clearing the digital dividend: Planning objectives and
principles for restacking digital television channels'**

4 April 2011

Introduction

ASTRA welcomes the opportunity to comment on the Australian Communications and Media Authority discussion paper 'Clearing the digital dividend: Planning objectives and principles for restacking digital television channels'.

About ASTRA

ASTRA is the peak industry body for subscription television in Australia. ASTRA was formed in September 1997 when industry associations representing subscription (multi-channel) television and radio platforms, narrowcasters and program providers came together to represent the new era in competition and consumer choice. ASTRA's membership includes the major subscription television operators, as well as channels that provide programming to these platforms.

The subscription TV industry is the undisputed leader of digital broadcasting. A dynamic sector that is constantly evolving and growing, it is received nationally by 34% of Australians through their homes and many more through hotels, clubs and other entertainment and business venues.

General comments on the digital dividend and digital channel restack

ASTRA strongly supports the Government's decision in July 2010 for the allocation of 126MHz of spectrum for the digital dividend, and for digital dividend spectrum to be cleared as soon as possible after the end of digital television switchover on 31 December 2013.

ASTRA also strongly supports the intention to auction spectrum in the second half of 2012, prior to the switch off of analog. The benefits to the Australian population of the redeployment of this spectrum are significant and, as such, any delays to its release should be avoided.

ASTRA opposes any further financial assistance from Government to commercial television broadcasters in relation to costs associated with digital switchover and digital channel restack. Since 2001, regional commercial television broadcasting licensees have received a 50% reduction in television licence fees for costs associated with digital switchover, while all commercial television broadcasters will receive substantial licence fee reductions in 2010 and 2011, to a total cost to the Government of approximately \$500 million. Broadcasters in remote and smaller regional licence areas are also receiving further significant Government assistance for terrestrial digital television infrastructure and for the provision of free-to-air digital television services by the VAST satellite service.

Comments on the discussion paper

ASTRA endorses and supports the submissions made by AUSTAR and FOXTEL in response to the discussion paper, and refers the ACMA to the specific issues raised by its members in these submissions.

ASTRA makes no comment on the appropriateness of the 'block' as opposed to the 'minimum moves' approach, based on the ACMA's initial conclusion that there is little difference between the two approaches in terms of viewer costs or disruption, and given the need to accommodate the

Government's policy intention that digital television and digital radio services be located in the same frequency band.

ASTRA notes the ACMA's observation that the 'implementation method' adopted for the restack will have a larger effect on cost and timing of restack than the choice of planning approach, and also notes that implementation is ultimately a matter for the Government and industry to determine. ASTRA reiterates its position that commercial television broadcasters have already received substantial assistance from Government for costs associated with digital switchover, including licence fee rebates and other subsidies, and that there would be no justification for further financial assistance to commercial broadcasters for the implementation of restack.

ASTRA agrees and supports the analysis in the submission to this discussion paper by FOXTEL that additional spectrum allocations to terrestrial broadcasters are not required to support possible future technical migrations of digital television services (such as to DVB-2 or MPEG-4). ASTRA contends that spectrum allocated for digital terrestrial television broadcasting could be used far more efficiently by incumbent commercial and national broadcasters. In this respect, ASTRA also welcomes the Government's inclusion of spectrum allocation management issues in the final Terms of Reference for the Convergence Review.

ASTRA would be happy to discuss further any of the issues raised in this submission. Please contact myself or Simon Curtis, Policy and Regulatory Affairs Manager, on (02) 9776 2684.

Yours sincerely

A handwritten signature in cursive script that reads "Petra Buchanan".

Petra Buchanan
CEO