

22 October 2001

Mr Paul Belin
Associate Commissioner
Radiocommunications Inquiry
Productivity Commission
Locked Bag 2
Collins St East
Melbourne VIC 8003

By Fax: 03 9653 2305 (2 Pages)

Dear Mr Belin

**Re: Submission to the Productivity Commission's Inquiry into the
Radiocommunications Act and the Role of the Australian Communications Authority**

The Special Broadcasting Service (SBS) has considered the issues raised by the Productivity Commission in the *Review of the Radiocommunications Acts and the Role of the Australian Communications Authority Issues Paper* (August 2001) and the recommendations set out in the *Report of the Radiocommunications Review* (June 2001). This submission is confined to matters that could affect the operations of SBS, arising from its position as a national broadcaster.

In brief, SBS supports the recommendations set out in the Report relating to broadcasting arrangements, compensation rights and terms for apparatus licences.

SBS

The fulfilment of SBS Charter objectives is predicated on the use of radiofrequency spectrum. SBS operates extensively in the AM, FM, VHF and UHF broadcast bands. Support services are provided using radiocommunications spectrum. Radiofrequency spectrum is therefore integral to SBS's business and the provision of SBS services.

MAJOR ISSUE

Broadcasting arrangements

SBS strongly supports the continuation of the existing broadcasting arrangements outlined in Chapter 10 of the Report. The current arrangements for spectrum management, according to which the Australian Broadcasting Authority (ABA) manages the broadcasting system, work effectively.

- The bulk of SBS's users are not broadcasters but the viewing and listening public. The ABA is accustomed to dealing with this public, managing the broadcast spectrum on behalf of all Australians (19 million users). Representing a very large user base, the focus of the ABA is on the Australian public.
- It is important to maintain consistency in terms of regulation during the roll out of digital. As digital roll out progresses, more black holes will be discovered and self-help groups will continue to need more spectrum for analogue and digital television services, placing increasing pressure on broadcasting spectrum. The ABA has a good track record of managing the competing requirements of this scarce resource.

- Finally, despite a move worldwide towards cable, overseas experience indicates that terrestrial broadcast spectrum will remain, in the foreseeable future, the only option for getting broadcast services into mobile and portable receivers (terrestrial transmission network). That is, the general public is going to need broadcast spectrum in order to receive services that SBS provides, another argument for the continuation of the current management arrangements for broadcast spectrum.

OTHER ISSUES

1. Compensation to apparatus licensees

SBS supports the proposal, identified in Chapter 7 of the Report, of giving the Australian Communications Authority discretion to extend compensation rights to certain apparatus (and class) licensees.

2. Licence tenure

SBS supports extending the maximum duration of apparatus licences from the current five years to ten years by amending section 103 of the *Radiocommunications Act 1992*, as recommended in chapter 7 of the Report.

The matters SBS has raised above are dealt with in more detail in the submission made by the Australian Broadcasting Corporation to the Productivity Commission's Inquiry. SBS supports the ABC's submission.

We are not seeking to present our submission at a public hearing.

If you would like any further information in support of this submission, or would like to discuss any matters raised in it, please contact Hugh James, Manager Transmission Services, on (02) 9430 3172.

Yours sincerely

Geoff Abbott
Acting Head of Policy