



Tasmania



PREMIER
MINISTER FOR STATE DEVELOPMENT

Professor R Snape
Presiding Commissioner
Broadcasting Inquiry
Productivity Commission
Locked Bag 2 Collins Street East PO
MELBOURNE VIC 8003

- 2 FEB 2000

Dear Professor Snape

Thank you for the opportunity for the Tasmanian Government to comment on the Draft Report of the Productivity Commission's Inquiry into Broadcasting.

As you would be aware, Tasmania provided a submission to the Inquiry in June 1999. I would like to draw your attention again to the issues raised in that submission - in particular the need to maintain and enhance transmission coverage under a digital system, equity of access to the new technologies, reducing the cost of community services and ensuring continuation of free to air programming.

The recommendations of the Draft Report address some of the concerns that the Government has about the potential impact on consumers of the new directions in broadcasting technology and regulation.

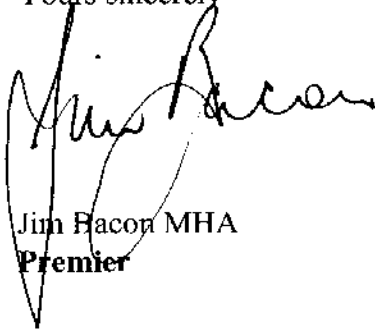
The emphasis on applying national competition policy principles to broadcasting is to particularly be applauded, especially Recommendations 6.1, 6.2 and 6.3 which if adopted would go a long way towards ensuring that the transition to digital will result in high consumer benefits and low consumer cost.

However, the Commonwealth Government recently announced plans for digital television which are at odds with the recommendations of the Draft Report. They include a requirement for broadcasters to provide both standard definition television (SDTV) and high definition television (HDTV) services. As analogue services are phased out, consumers will need to purchase expensive new technology to enjoy the national conversion to digital TV, or to continue to use their existing analogue televisions. This raises serious issues of equity as lower income groups comprise over a quarter of the national population and are the most intensive viewers of television.

One other concern that remains is that of protecting any consumers who lose reception as a result of the conversion to digital, for example because of the appearance of new 'black spots', or because those viewers previously enjoyed 'fortuitous' analogue reception. This is of particular significance in Tasmania because of the broadcast difficulties associated with terrain and a dispersed rural population.

I look forward to seeing the Commission's Final Report.

Yours sincerely

A handwritten signature in black ink, appearing to read "Jim Facon". The signature is written in a cursive style with a large, sweeping initial "J".

Jim Facon MHA
Premier