

# Ready, get set, go digital – a digital action plan for Australia

EXTRACT FROM SPEECH BY MINISTER FOR COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS, SENATOR HELEN COONAN, TO THE INFORMATION COMMUNICATIONS ENTERTAINMENT CONFERENCE, 23 NOVEMBER 2006, CANBERRA

**It has been an exciting year for ACMA. As an agency, you are at the centre of some major developments in the communications landscape, the most recent of which is the Australian Government's comprehensive reforms to the media industry. It is an interesting time to be in the world of communications as convergence reshapes our perception of industry structures and blurs the lines between what we used to think of as the distinct industries of telecommunications and media.**

Industry, regulators and consumers are now involved in a complex relationship characterised by the capricious forces of market demand, constant innovation and almost unlimited choice. It is this passion for new services and improved technology that is driving the international switch to digital. Digital television is more efficient, more interactive, offers better picture and sound quality and delivers innovative new services to consumers. Across the globe, governments are considering how best to make the digital switch. For our part, the government wants to work towards a digital Australia for the many benefits it brings not only to consumers but to the broader economy—the so-called 'digital dividend'.

The switch to digital is a key element of a package of broader reforms to the Australian media landscape passed by parliament earlier this year. Australian consumers will see the emergence of a range of new digital-only services to help make the digital experience more attractive. Not only will brand new digital channels emerge but the free-to-air broadcasters—including the ABC and SBS—will be able to boost their range of services with additional digital multi-channels.

Digital is about more than just improved picture and sound quality and new channels, as the switch to digital will also deliver a significant

digital dividend to all Australians. It will bring to an end the costly simulcast period and free up valuable spectrum for better and more efficient use. In short, the digital dividend provides opportunities for even more new services and a return to taxpayers. Over the next few years, Australians will hear more and more about digital—its benefits, the new channels that will be on offer and information about Australia's transition to digital switchover, which will commence in 2010–12. The government will work closely with the broadcasting industry to ensure the transition to digital switchover is as smooth as possible and keep consumers informed every step of the way.

Digital transmissions in mainland state capital cities commenced on 1 January 2001 and have now begun in all regional television licence areas. Around 85 per cent of the Australian population has access to digital services from all their local free-to-air broadcasters. Approximately 96 per cent of the population has access to at least one free-to-air digital service and the rollout of transmitters to new areas in country Australia is continuing.

It is estimated that, at the end of September 2006, household take-up of free-to-air digital television had reached 1.8 million homes, or around 23 per cent of the Australian population. ACMA research shows take-up digital television has more



than doubled since 2005, with these estimates showing 29 per cent of Australian households had adopted free-to-air digital. Combined with digital subscription television, this figure rises to around 41 per cent of Australian households having some form of digital television. The range of digital receiver equipment is increasing, with more than 180 models currently available. At the same time, basic set-top box prices are continuing to fall. A basic set-top box now costs around \$90. And the government is investing around \$1 billion in the digital conversion of the ABC and SBS, and \$250 million to help regional commercial broadcasters convert to digital.

However, achieving digital switchover is not as simple as giving everyone a digital set-top box and calling time on the analog signal. The rollout of digital transmission needs to be completed, consumers need to be made aware of the benefits of

digital so take-up increases, technical and transmission matters need to be addressed and we need to be responsive to the many issues likely to arise along the way. That is why the government has prepared the Digital Action Plan—Ready, Get Set, Go Digital—to ensure that industry, broadcasters, manufacturers, retailers, technicians and consumer groups are working with government to make the transition to digital a smooth one. This is the biggest change to television since it went colour and while it does not mean that every Australian will have to buy a new TV, it will require informed choices and action on behalf of every Australian household with a TV. We must achieve digital switchover in a managed, responsible and practical way.

Relying on market forces alone to drive digital take-up clearly has not been enough. So, as part of the media reform package, there were

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significant opportunities for the emergence of new digital services for Australian consumers to accelerate take-up. The government will allocate two new TV licences next year—one could enable new in-home digital services delivered over your ordinary television and the other could be used for more innovative new services that may include mobile TV.

The government has also lifted the genre restrictions on national broadcaster multi-channels. From 1 January 2007, the commercial free-to-air broadcasters will be permitted to show content on one high-definition multi-channel and they can add to that with a standard definition multi-channel from 1 January 2009. And at switchover or before, we will revisit the issue of the lifting the remaining restrictions on multi-channelling ... Over the next few years there is the likely opportunity that Australian consumers will have access to up to eight new in-home channels, up to 30 new channels on mobile TV and up to five digital multi-channels and even more from 2009. Access to these new services will assist greatly in encouraging Australians to take up digital television.

Digital switchover was originally scheduled to occur in Adelaide, Brisbane, Melbourne, Perth and Sydney on 31 December 2008 and in regional areas on either 31 March 2011 or 31 December 2011. But with a comprehensive plan for the transition to switchover and new services to entice Australian consumers to make the switch, we can have a realistic and achievable target of 2010–12, which will be a valuable incentive for broadcasters to complete digital rollout and for viewers to make the transition. The simultaneous transmission of analog and digital signals, while essential for a smooth transition to digital television, is expensive and is an inefficient use of spectrum, which could be reassigned for other services such as wireless broadband, mobile TV and digital radio.

As part of the Digital Action Plan, ACMA will be asked to report to me as soon as possible with an analysis of the technical and other factors that may influence a timetable for switchover in Australia. The government will then announce a firm timetable for digital switchover as soon as practicable next year, including consideration of whether the switchover should be done region by region, or nationally.

To coordinate our transition to digital and to implement the Digital Action Plan, a dedicated switchover body—Digital Australia—will be established at a cost of more than \$17 million over four years. Digital Australia will be based in Sydney and set up as soon as possible as a dedicated body under the auspices of my department. It will educate Australians about the benefits of digital television to help drive take-up and inform consumers about the need to convert to digital transmission as switchover approaches, identifying sections of the community that may have special needs and co-ordinate efforts to meet those needs. ACMA's current roles in regulating industry, administering digital conversion schemes and spectrum management and other technical matters will continue. Importantly, ACMA will focus on assessing digital signal coverage and will begin working on the availability and possible use of spectrum following switchover.

The success of the Digital Action Plan will also rely on close collaboration with and cooperation within the industry. The government will appoint an industry representative group to advise the government and Digital Australia in its work. We will set up the industry group as soon as possible ... I expect to make announcements about the make-up of the industry group and the senior management of Digital Australia early next year.

Many consumers may need access to detailed information about the rollout of digital services, aerial and

cabling issues, interference issues and where to go for technical support. It is therefore vital that comprehensive and extensive education campaigns for digital television be developed to increase consumer confidence and help drive digital take-up. The development of these campaigns will be a task for industry and Digital Australia.

They will be complemented by a consistent and easily-understood system of digital receiver labelling. The switch to digital does not make your analog television obsolete, but to receive television in the future [consumers] will need to buy a set-top box or a television with an in-built digital tuner. Mandatory labelling at point of sale will help consumers making their next

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television or home entertainment purchase. ... The government's media reform legislation gives ACMA the power to oversee the development of industry codes of practice. This will enable the creation of a labelling scheme which would be a code of practice registered with ACMA. The government has previously committed to working with industry to set up a digital testing centre, to ensure that appropriate testing of digital signals and receivers takes place and consumers feel assured that their digital equipment will function effectively during its normal lifetime.

The government will provide ACMA with \$5.6 million to conduct research and monitoring tasks that will contribute to a faster and smoother transition to digital television services. ACMA will also undertake research to better understand technical impediments to digital television take-up and to investigate other issues such as improved measurement of digital

signal coverage and the performance of digital receivers. And at the end of the simulcast period, ACMA will commence work on issues associated with the return of analog spectrum.

The government has committed to working with the community television sector as it makes the transition to digital. The sector is being encouraged to explore options for a simulcast arrangement with a digital platform operator. However, should no opportunity for a simulcast arrangement materialise, prior to digital switchover, the government will consider the allocation of the Channel 31 analog channel for digital

services, with a requirement that digital community television services must be carried on that spectrum. Analog community television services would then cease and community television broadcasters would operate in digital mode.

Broadcasters, manufacturers, retailers, antennae technicians, government and television viewers all have a stake in digital conversion. The Digital Action Plan provides the framework for a managed transition and achievable timetable to digital switchover, and for the coordination and participation of all stakeholders. I can assure all Australians that no-one will be left behind as we all take part in the exciting evolution of television.

**The full text of Senator Coonan's speech is on the Department of Communications, Information Technology and the Arts website at [www.minister.dcita.gov.au/media#sp](http://www.minister.dcita.gov.au/media#sp).**