1st December, 2016

The Manager
Broadcasting Carriage Policy Section
Spectrum Management Policy Branch
Australian Communications and Media Authority
PO Box 78
Belconnen ACT 2616

Via email

RE: A new approach to AM–FM conversions and in-fill transmitters for commercial radio broadcasting services - Consultation paper

Grant Broadcasters owns and operates 47 commercial radio stations in the AM and FM frequency bands in regional Australia; and has applied for conversion of 9 AM licences.

The ACMA has requested comments on 2 main areas of its proposed approach, which are provided:

The ACMA would welcome submissions on the circumstances, if any, in which the present proposed policy might apply to AM licensees in licence areas with a greater than 30 per cent population overlap, and, if extension of the policy is supported, any underlying principles or considerations to which the ACMA should have regard when considering requests from these markets for AM-FM conversion.

Given the Minister’s request that the ACMA give priority to planning AM–FM conversion in solus markets (with no more than 30 per cent population overlap with an adjacent licence area) any consideration of applications from licensees in markets that do not meet this threshold criteria, will be deferred pending further consideration of this issue. The ACMA welcomes comments on this issue.

In particular, the ACMA has noted that

“the caveats seek to ensure that any proposed AM–FM conversion will result in no detriment to other incumbent FM radio licensees”; and

“In these (overlapping) markets an AM–FM conversion may give rise to equity issues such as:

> a licensee in the overlapping licence area has already paid a premium for FM
> the overlapping licence area includes an AM licensee that is ineligible for conversion because its licence areas is not a solus market.” ;
In the case of licence areas with greater than 30% overlap, Grant Broadcasters is of the view that if all the commercial broadcasting licence holders involved agree, then AM-FM conversion should be allowed to be considered (subject to the planning process).

Specifically, 100% subsidiaries of Grant Broadcasters Pty Limited are the licence holders for all 4 commercial licences in Burnie and Devonport and confirms its earlier application for conversion of 7AD and 7BU has mutual consent.

Furthermore, removal of the Pilot status and delay in the processing of Burnie and Devonport will cause significant difficulties because the AM tower at Burnie is in urgent need of replacement – and that should be an FM tower.

**In consulting on the revised approach, the ACMA is open to considering further options for ensuring planned-for FM in-fill transmitters are implemented. The ACMA invites comment on an appropriate mechanism to ensure FM coverage achieves equivalent coverage to the existing AM transmission.**

If the ACMA forms a preliminary view that the coverage loss resulting from conversion to FM is significant and there are no practical remedial measures available, the ACMA is likely to refuse such a conversion request.

For certain very large rural service areas, which may be characterised by one or a few larger population centres and then a very low population densities over very large areas, there may be no economically feasible substitute to AM reception for those outlying areas. Rather than deny the more urban population centres of the advantages of FM conversion, the ACMA should allow that the continued use of the AM service may be considered “a practical remedial measure” – in essence the AM becomes the translator.

Finally, there is a need to further develop policy around AM broadcasting for cases which are not included in the proposed solus markets and mutually agreed overlap markets. Whilst no one, including Grant Broadcasters, wishes to see detriment to FM licence holders; it is not clear that caveat should necessarily extend to include the future benefits of lessened competition from a declining AM licencee.

Yours sincerely

[Signature]

Grant Cameron
CEO
Grant Broadcasters Pty Limited