29 October 2010

Draft Variations to Bourke, Cairns and Maryborough LAPS
Radio Planning Section
Technical Planning and Evaluation Branch
Australian Communications and Media Authority
PO Box 78
BELCONNEN ACT 2616

Ref: ACMA2009/763; ACMA2009/759; ACMA2009/852

CC: Senator The Hon Stephen Conroy

By email: rps@acma.gov.au

Dear Sir/Madam

Proposed new radio services – Bourke, Cairns and Maryborough LAPS

We write in relation to the draft variation to the Licence Area Plans for Bourke, Cairns and Maryborough.

The commercial radio industry strongly opposes the ACMA’s proposals to:

- make FM spectrum 103.1 MHz, with a maximum ERP of 50W available for a new community broadcasting service at Wilcannia, NSW (Bourke LAP);
- make FM spectrum 99.9 MHz, with a maximum ERP of 1kW, available for a new community radio broadcasting service at Mossman, Qld (Cairns LAP); and
- make FM spectrum 107.1 MHz, with a maximum ERP of 50W available for a new community broadcasting service at Tiaro, Qld (Maryborough LAP).

Proposed new community services

The commercial radio industry is concerned that the ACMA is intending to grant additional community licences in Bourke, Cairns and Maryborough, given the impending roll-out of digital radio – and accompanying increase in available broadcasting services – in these areas.

The licence areas in question are already well served with a variety of existing commercial and community radio services, and the ACMA’s Explanatory Paper does not provide any evidence of need for additional services.

Furthermore, the allocation of new analogue licences at a time of such significant technological change could hinder the success of digital radio in these regional areas. In the long term this will reduce, rather than promote, diversity of commercial and community radio services.

It is vital that regional Australia is given the opportunity to experience and benefit from new technologies. Technologies capable of improving communication and promoting social inclusion are particularly important in communities in regional and rural Australia.
However, the new digital technology is less likely to be taken up if it is introduced into a market already saturated with new services.

This is a serious issue, which we have raised repeatedly over the past few years with the ACMA. The ongoing allocation of licences exhibits a degree of short-sightedness in relation to issues that will arise around the accommodation of any additional or new analogue services in the digital future.

**Recent new licences**

The current LAP variation proposal closely follows a number of other recent decisions by the ACMA to issue new community and narrowcast licences. In the last few months alone, the ACMA has proposed or issued licences for the following services:

- a new HPON radio service in Kalgoorlie, WA;
- a new HPON radio service in Kambalda, WA;
- a new HPON radio service in Griffith, NSW;
- a new HPON radio service in Launceston, TAS;
- a new HPON in Perth, WA;
- a new community radio broadcasting service at Augusta, WA;
- a new community radio broadcasting service at Harvey, WA;
- a new HPON radio service at Collie, WA; and
- a new HPON radio service at Bunbury, WA, instead of an unallocated community radio broadcasting service.

**Need to limit new entrants**

Section 35C of the *Broadcasting Services Act 1992* recognises the need to limit new entrants at a time of technological change, by imposing a moratorium on the allocation of new commercial radio broadcasting licences for a 6 year period from digital radio start-up day.

The commercial radio industry submits that a similar approach should be taken in relation to any new analogue license, including narrowcast and community licences.

These new services have been proposed at a time when the Government and the radio industry are discussing the future rollout of digital radio in regions. Substantial funds and resources have been invested in digital technology, and broadcasters should be given every opportunity to ensure that the technology succeeds.

It may take several years for digital technology to be adopted in regional areas, and it is essential during this period that new entrants to the radio market are limited.

Lastly, we urge the ACMA to learn from the experience in the UK, where analogue licences, both commercial and community, continue to be granted, despite the introduction of digital technology over ten years’ ago. This has hindered the take-up of digital radio in the UK, as there is little incentive for broadcasters or listeners to invest in new digital technology.

In Australia, we have the advantage of being able to learn from other countries’ mistakes. We ask the ACMA to bear the UK experience in mind, when considering whether to continue to issue analogue licences at a time when the promotion of digital radio is of vital importance.

**Summary**

We urge the ACMA not to vary the LAPs for Bourke, Cairns and Maryborough by allocating FM spectrum for new community radio broadcasting services.

More generally, the commercial radio industry urges the ACMA not to grant any additional analogue radio licences for a specified period of time, to allow the completion of digital radio
planning and the establishment of digital technology. Only then can the real need for further services properly be assessed.

This will ultimately lead to a more diverse range of radio services available to communities in regional Australia.

Please let me know if you would like to discuss these issues further.

Yours sincerely

Joan Warner
Chief Executive Officer