25 March 2011

Att: Mr Christopher Roberts

Draft Variation to the Hobart LAP
Radio Planning Section
Australian Communications and Media Authority
PO Box 78
BELCONNEN ACT 2616

By email: rps@acma.gov.au

Dear Mr Roberts

**Draft variation to Hobart LAP**

We refer to the ACMA’s proposal to make available FM frequency 94.9 MHz, with a maximum ERP of 1.5 kW, for a new open narrowcasting radio service at Hobart.

The commercial radio industry in Hobart objects to the ACMA’s proposal to grant an additional narrowcast licence in the Hobart area, particularly given the impending roll-out of digital radio in the area.

**Diversity of Services**

The commercial radio industry appreciates the ACMA’s obligation to promote “a diverse range of radio and television service offering entertainment, education and information” under section 26(3)(1)(a) of the **Broadcasting Services Act 1992 (BSA)**.

The ACMA’s Explanatory Paper *Draft Variation to Licence Area Plan for Hobart Radio – No.1 of 2011*, concludes that the addition of a new narrowcasting service at FM frequency 94.9 MHz will increase “the mix of, and overall number of, broadcasting services available and is likely to increase the provision of diverse programming and coverage of matters of local significance in Hobart.”

However, the industry’s view is that diversity of programming would best be achieved by ensuring that digital radio is given the best possible opportunity to succeed in Hobart. Digital technology affords broadcasters – commercial, community and national – an unprecedented opportunity to create a diverse range of radio services. This process has already begun in the larger metropolitan cities, with diverse new commercial services that include the following:

- a station that features unsigned bands;
- a station that features events and touring artists;
- a station devoted to new Australian comedy acts;
- a dance music station;
- a country music station;
• a station that is run in conjunction with the Salvation Army in the months leading up to Red Shield week; and
• a station that is run in conjunction with a government community health project aimed at helping young people.

The above list does not include any of the new community or national services that are also available on digital spectrum.

Unfortunately, the allocation of new analogue licences at a time of such significant technological change could hinder the success of digital radio in Hobart and the development of such new services. In the long term, this will reduce, rather than promote, diversity of radio services, contrary to section 26 of the BSA.

**Need for a moratorium on new licences**

It is vital that Hobart 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 the smaller towns and cities of Australia. Substantial funds and resources have been invested in digital technology, and broadcasters should be given every opportunity to ensure that the technology succeeds.

However, the new digital technology is less likely to be taken up if it is introduced into a market already saturated with new services. The first few years following the implementation of digital will be critical to the technology’s success.

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 new analogue services in the digital future.

Section 35C of the BSA 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 licenses, including narrowcast licences.

Accordingly, we urge the ACMA not to allocate any additional analogue radio licences – including the proposed Hobart narrowcast service – for a specified period of time, to allow the completion of digital radio planning and the establishment of digital technology. This will ultimately lead to a more diverse range of radio services available to communities in Hobart.

Yours sincerely

Joan Warner
Chief Executive Officer