Explanatory paper

Draft Variation to Licence Area Plan for Launceston Radio
- No. 1 of 2009
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Call for Submissions

Submissions on the matters raised in this Explanatory Paper may be made to the Australian Communications and Media Authority (ACMA) as follows:

By email: lais@acma.gov.au
By mail: Draft Licence Area Plan Variation – Launceston
Australian Communications and Media Authority
PO Box 78
BELCONNEN  ACT  2616

By fax: (02) 6253 3277

Please quote file reference ACMA2009/103 in your reply.

Any enquiries concerning matters raised in this document should be directed to Nicole Brown on (02) 6256 2821.

The closing date for submissions is 5.00pm, 28 August 2009.

All submissions received will be made available for public inspection on the ACMA website.¹ (www.acma.gov.au)
Explanatory Note

This explanatory note accompanies the draft licence area plan (LAP) variation for Launceston.

The ACMA generally considers variations to LAPs in response to submissions made to it or on becoming aware of technical issues that need addressing.

The ACMA has received five submissions in relation to radio services in the Launceston market. In summary, the submissions request the ACMA to consider:

- making channel capacity available for translator services for the 7EX and 7LA commercial radio services in the Launceston City to address deficient coverage of these services;
- making channel capacity available for a new high power open narrowcasting service in Launceston\(^2\); and
- making channel capacity available for an additional community radio service in Launceston.

A full discussion on these requests is set out in the ACMA’s preliminary views below.

**Legislative Framework**

The ACMA prepares LAPs under subsection 26(1) of the Broadcasting Services Act 1992 (the BSA). LAPs determine the number and characteristics, including technical specifications, of broadcasting services in particular areas of Australia with the use of the broadcasting services bands. The ACMA may vary LAPs under subsection 26(2) of the BSA.

Section 23 of the BSA imposes specific obligations on the ACMA when carrying out its planning functions, including, amongst other things, that the ACMA is required to perform its functions in a way that promotes the objects of the Act, including the economic and efficient use of the radiofrequency spectrum.

The object of most obvious importance to the ACMA’s powers in relation to section 26 of the BSA is that at paragraph (a) of subsection 3(1), that being:

> to promote the availability to audiences throughout Australia of a diverse range of radio and television services offering entertainment, education and information.

Section 27 of the BSA provides that the ACMA must make provision for wide public consultation when considering whether to make or vary a LAP.

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\(^2\) Two parties have written to the ACMA expressing a desire to establish a HPON service in Launceston.
Preliminary View - Commercial Radio – Launceston

The ACMA proposes to make channel capacity available for additional translators at Launceston City for the commercial radio broadcasting services 7LA and 7EX. The 7EX translator is proposed to operate on:

- 101.1 MHz from Radio 7LA Studio 109 York St LAUNCESTON with a maximum Effective Radiation Pattern (ERP) of 200 Watts (W) Omni Directional (OD).

The 7LA translator is proposed to operate on:

- 100.3 MHz from Radio 7LA Studio 109 York St LAUNCESTON with a maximum ERP of 200 W OD.

In 2005, the Australian Broadcasting Authority (ABA) made a variation to the Launceston licence area plan (LAP), which included the conversion of the commercial radio broadcasting services 7EX and 7LA from AM to FM.

Both 7EX and 7LA commenced broadcasting on their FM frequencies in early 2008.

Shortly after commencing their services on the FM band, Bass Radio Pty Ltd and the licensees of 7EX and 7LA, respectively, advised the ACMA that the service reception quality was deficient as a result of signal reflection (multipath) within the City of Launceston.

Both licensees submitted that the reception of their services is being affected by the terrain in Launceston City, in particular, signal reflection (multipath) from houses covering the western side of the Launceston City valley and ‘clutter losses’ caused by trees and buildings.

After consideration by the ACMA and further discussions with the licensees of 7EX and 7LA, it was suggested that a single frequency solution or separate frequency translator service in the Launceston City would be required to resolve the signal reflection (multipath) problem. The tests on a single frequency solution, preferred by the broadcasters so as to maintain the identity of the service, were not successful due to the creation of a ‘mush zone’ in the Launceston CBD area.

The ACMA subsequently identified FM frequencies, 101.1 MHz and 100.3 MHz as suitable and available for low power translator services in Launceston City. The ACMA issued temporary apparatus licences under the Radiocommunications Act 1992 to 7EX and 7LA authorising the retransmission of their primary services. These re-transmissions have resulted in improved service by these licensees within the licence area, leading to the proposal in this draft LAP variation.
Preliminary View - Open Narrowcasting Radio – Launceston

The ACMA proposes to make channel capacity available for an open narrowcasting radio service at Launceston to operate on:

- 1008 kHz from Broadcast Site ABELS HILL with a maximum CMF of 1100 V with a directional radiation pattern.

TasRadio Pty Ltd, the licensee of the commercial radio broadcasting service 7EX, has made a submission to the ACMA requesting that recently vacated AM frequency (1008 KHz) be made available for a new High Powered Open Narrowcasting service (HPON) to serve the community of Launceston.

7EX currently provides an all racing radio service on its commercial radio broadcasting service.

In its submission TasRadio Pty Ltd proposes that, should a new HPON service be made available for allocation in Launceston, it would bid for that service with the aim of switching their racing service to the newly available HPON frequency. This would allow their 7EX FM service to become a more music-focused commercial radio broadcast.

Tatley Pty Ltd, licensee of ‘Rete Italia’ network, has also expressed interest in acquiring a HPON licence in Launceston. Rete Italia currently provides HPON services in various locations throughout Australia and states that, if successful in obtaining a licence in Launceston, they would broadcast an Italian language service with some hours of programming in other language groups.

The ACMA believes that making channel capacity available for a new open narrowcasting service in Launceston has the potential to increase the amount of, and diversity of, services available in the Launceston area. It would therefore promote the object of the Act set out in paragraph 3(1)(a) of the BSA.

The ACMA has a policy of taking into account the possible spectrum needs of future digital radio services when considering whether to make available additional AM spectrum in LAPs for any purpose. At present, it is not known whether, or to what degree, Digital Radio Mondiale (DRM), a technology which uses AM spectrum, might be utilised in providing digital radio services to the regional and rural areas of Australia. The proposal to make one channel available for a new HPON service, if adopted, would leave at least one other AM channel available for possible use by DRM. It is, therefore, the ACMA’s preliminary view that this proposal best provides for a diversity of services in the licence area by balancing the current demand for AM spectrum with possible future requirements for this spectrum.

The ACMA will keep the potential utility of the spare AM channel for digital radio services under review.

Allocation Process

The ACMA uses a price-based allocation system to allocate licences to provide open narrowcasting services, which have been made available in LAPs.

Licences are allocated to the highest bidder, or if there is only one applicant the licence is allocated at the reserve price (subject to the requirements of the Broadcasting Services Act).
Act 1992 or the Radiocommunications Act 1992 (as applicable) and the Determination which governs the system), following payment in full.
Preliminary View - Community Radio – Launceston

The ACMA does not propose to make channel capacity available for an additional community radio service in Launceston.

World Music Radio (WMR), an aspirant community radio broadcaster, has expressed its interest in providing a community radio service in Launceston since June 2002. Most recently in 2007, it has submitted that the ACMA should make channel capacity available for an additional community radio service in Launceston.

They describe the proposed service as follows:

“While our station could fairly be called multicultural, it was never designed to appeal exclusively or even primarily, to ethnic communities. We were a music-based station, as our name indicates. We never proposed to broadcast exclusively, or even primarily, in languages other than English. We regard music as an international language, and we wanted to bring music from all over the world to Launceston. At all times we saw our station as being for everyone in Launceston who enjoyed music, irrespective of their origins or the languages spoken in their homes.”

Demographics

Sections 23(a) and (b) of the Broadcasting Services Act 1992 (the BSA), require the ACMA to have regard to the demographics and the social and economic characteristics within a licence area, neighbouring licence areas and within Australia generally.

When planning for community broadcasting services, it is appropriate to consider the population size and other demographic, social and economic characteristics of particular interest groups that may have a need for a specific community broadcasting service, as well as the overall demographic, social and economic characteristics of the market.

The population growth between the 2001 Census (109 163 persons) and 2006 Census (113 925 persons) for the Launceston licence area represents an increase of 4 762 persons (4.36%). The growth rate in the same period for Australia as a whole was 4.49%.

The table below shows the multicultural population in the Launceston licence area compared to Australia as a whole, according to the Australia Bureau of Statistics (ABS) 2001 Census data:

<table>
<thead>
<tr>
<th>Census Variable</th>
<th>Total Persons Launceston RA1</th>
<th>% of Launceston Population</th>
<th>Total Persons Australia Wide Population</th>
<th>% of Australia-Wide Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>113 925</td>
<td></td>
<td>19 813 080</td>
<td></td>
</tr>
<tr>
<td>Born in Australia *</td>
<td>95 286</td>
<td>83.64</td>
<td>14 046 106</td>
<td>70.89</td>
</tr>
<tr>
<td>Born overseas *</td>
<td>11 809</td>
<td>10.37</td>
<td>4 405 518</td>
<td>22.24</td>
</tr>
<tr>
<td>Speaks English only **</td>
<td>105 211</td>
<td>92.35</td>
<td>15 548 310</td>
<td>78.47</td>
</tr>
<tr>
<td>Speaks other language **</td>
<td>3 637</td>
<td>3.19</td>
<td>3 141 555</td>
<td>15.86</td>
</tr>
</tbody>
</table>

* there was a non-response rate of 6.9% for this question in the 2006 Census
** there was a non-response rate of 5.7% for this question in the 2006 Census

**Existing services and demand for new services in Launceston**

In performing its functions under Part 3 of the BSA, the ACMA is required to have regard, among other things, to the existing services and demand for new services within a licence area, within neighbouring licence areas and within Australia generally (s.23(c)).

There are five permanent community radio services operating in the Launceston region (two wide coverage, two local coverage and the Launceston translator service of 7RPH Hobart). There are no active community radio groups that currently operate on a temporary community broadcasting licence in Launceston. There are also five national and two commercial radio broadcasting services.

When considering the question of demand for new services, the ACMA considers the evidence it has before it indicating community demand for new services.

The ACMA has considered WMR’s 2007 submission, made in conjunction with the University of Tasmania (UTAS) regarding their proposal to establish a new community service at Launceston. They advised that the community radio broadcasting service would focus on world music with the addition of further content concentrating on the communication, education, and cultural enrichment of the Launceston community.

WMR have at least 45 members and might, therefore, be said to be meeting some demand in the community for the service that they would provide. However, on the evidence before it, including the broad range of services already available in Launceston, the ACMA has reached the preliminary view that there is not significant demand within the community for a new service of the nature they propose.

**Channel Capacity**

The ACMA is required to have regard to technical restraints relating to delivery and reception of broadcasting services and the demand for radiofrequency spectrum for services other than broadcasting services (s.23(e) and (f)).

The ACMA found that there is sufficient spectrum available to plan a new community radio service in Launceston.

The ACMA has received no applications from interested parties wanting to use the radiofrequency spectrum for services other than for broadcasting purposes.

**Diversity**

Paragraph (a) of subsection 3(1) of the BSA indicates that one object of the Act is:

_to promote the availability to audiences throughout Australia of a diverse range of radio and television services offering entertainment, education and information._

The ACMA, therefore, looked at the services currently available in the licence area and considered whether making available channel capacity for an additional community broadcasting service would be likely to add to the diversity of services in that area.

As indicated above, there are five national, two commercial and two-wide coverage community radio broadcasting services in the Launceston area.

The community services are 7LTN (generalist, with some multicultural programming) and 7WAY (Christian). There are also local coverage community radio services in George Town and the Northern Midlands, which are within the Launceston market.
The Hobart community radio for the print handicapped service is also available in Launceston via a translator service.

The Launceston City Council was issued with a licence to provide a retransmission service for SBS national radio in 2005. This service provides multicultural, multilingual information, education and entertainment programming. Broadcasting of this service has been delayed by technical difficulties, however, the Launceston City Council has indicated to the ACMA that it plans to commence transmitting SBS national radio by the end of 2009.

After considering the submission provided by WMR in 2007, the ACMA is of the preliminary view that an additional community radio service with the community interest proposed by WMR would be unlikely to add substantial diversity to the services available in the Launceston market.

In this regard, the ACMA notes the relatively low percentage of the licence area population that is multicultural, as outlined above, as well as the number of other diverse broadcasting services currently available within the licence area. However, it is noted that WMR’s aim is to appeal more broadly than the multicultural population.

If additional channel capacity was made available in the LAP for community broadcasting services, it would be open for any aspirant community broadcaster to apply to use the spectrum and that other aspirant broadcasters might propose services intended to meet community interests not otherwise well catered for in the market. However, as far as the ACMA is aware, there are currently no other aspirant broadcasters. Further, Launceston is generally well served by community broadcasters, including a general service, which anyone in the community can get involved with.

Taking all these matters into account, the ACMA has formed the preliminary view that there is not a significant demand for more community broadcasting services in Launceston, notwithstanding the interest of WMR in providing such a service.

**Conclusion**

The ACMA acknowledges that there is some interest in the provision of an additional community radio service in the Launceston region. However, taking into account the objects of the BSA and having regard to the criteria at s.23 of the BSA, the ACMA is of the preliminary view that it should not make channel capacity available for an additional community broadcasting service at this time.
Preliminary View – Licence Areas

The ACMA proposes that the existing commercial and community radio licence areas in the Launceston licence area plan be redefined using 2006 Census boundaries, but otherwise remain unchanged.

The licence areas for the commercial and community radio services in Launceston, George Town and Northern Midlands are currently described in the 2001 Census count. The Australian Bureau of Statistics (ABS) has now made available to the ACMA the most recently published census count (i.e. 2006), as prepared by the Australian Statistician.

Therefore, the ACMA proposes that the licence areas in the Launceston LAP be redefined using 2006 Census boundaries, but otherwise remain unchanged.