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Dear Ms Barnes

Re: *Meeting the Digital Challenge Discussion Paper*

Thank you for the opportunity to contribute to the review of Australia's media landscape in light of the dramatic opportunities and challenges digital technology presents for broadcasting and other media.

Our experience and interest in the use of broadcast digital television spectrum as a medium for public and government information and service delivery has principally been guided by our experience running Channel NSW in Sydney as part of the datacasting trial (see attachments).

Recent audience research as confirmed that Channel NSW has been ranked the most useful and unique of the new datacasting services being trialled in the Sydney region. This provides important evidence that the diversity of the Australian broadcasting sector would be enriched by making provision for future government information services.

The NSW Government is keen to ensure that it is able to access digital television spectrum to deliver government information services without excessive fees or regulatory uncertainty. A business case is currently being developed for consideration by the Government for the future funding of Channel NSW once the trial has concluded.

Attached are the NSW Government's submissions to the previous Parliamentary and Departmental inquiries into digital television. The key recommendations from the NSW Government are:

1. Recognise the role and potential value of digital television as a channel to deliver Government information services
2. Allocate at least one of the two existing digital television 7 MHz channels in metropolitan and regional Australia for use by free-to-air digital broadcast terrestrial datacasting services as a means of driving consumer uptake and providing a transmission platform for government information services.
3. Base datacasting spectrum licensing levies on a percentage of the licensees' datacasting related earnings or expenditure (less transmission costs) for the previous year and not on high upfront fee. This would create parity with commercial free-to-air broadcasters and make datacasting more attractive to a diversity of content providers.

4. Plan for the allocation of a full 7 MHz channel for government information services when the analogue switch off is achieved in 2010/2012. This would ensure a permanent distribution platform for a range of emerging government information services in the areas of health, education and general government activities.
5. Consider strategies to support the transitioning the market toward more efficient encoding technologies such as MPEG4 to avoid the future costly conversion from the existing legacy compression technology.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P. Edgecumbe', with a long horizontal flourish extending to the right.

Paul Edgecumbe
Government Chief Information Officer

Appendix A: About the Channel NSW trial experience

Strong Support from within Government

The Channel NSW trial datacasting service in Sydney metropolitan area has generated strong support from both viewers and within Government. Over twenty New South Wales Government agencies covering transport, health, education, culture and tourism are now active partners in the trial. Many are providing repurposed existing communications material already produced for the web keeping the production costs low and making the service extremely efficient.

One of the most interesting sources of material is from live information feeds such as Government job advertisements. You can now see the latest government jobs available on television as well as on the web – all drawn from the same live dynamic data source. We're in the process of extending this concept to cover tenders news, environmental data etc

Over 250,000 regular viewers in Sydney

Independent audience research by Millward Brown and Newspoll (attached) indicates

- Channel NSW ranked as the **most useful** new service on Digital TV. Eighty-eight percent (88%) of Digital TV viewers rated Channel NSW's mix of transport, environment, weather, education, events, and lotteries results and jobs information as useful to them.
- Channel NSW also ranked as the **most unique** new service on Digital TV with over half the viewers of Digital TV (54%) saying it gives them access to information they can't get elsewhere.
- Around 1,000,000 Sydneysiders have access to FTA digital Television
- Channel NSW is viewed by over 250,000 Sydneysiders each month

T-Government in international markets

- UK: DirectGov and dedicated 24x7 Government Digital Television Channels for Health (NHSDirect), Education (TeachersTV), Parliament
- US: C-SPAN; Successful municipal TV Services such as NYC TV
- Italy: RAI Utile

Strong interest in DTV expressed by other Australian Governments

- At the Online Ministers Council and through direct communication with the Channel NSW trial team in our office, other state Governments and Federal Government departments have expressed strong interest in using Digital Television to deliver government and public information and services.

Previous submissions

Related NSW Government submission(s)

- House of Representatives Inquiry into the uptake of digital television in Australia
NSW Government Submission, May 2005
<http://www.aph.gov.au/house/committee/cita/digitaltv/subs/sub83.pdf>
- DCITA Review of datacasting services
NSW Government submission, December 2002
http://www.dcita.gov.au/_data/assets/file/10761/NSW_Government.RTF

Appendix B: Background on Datacasting

Datacasting increases the diversity in Australian broadcasting

Government information and other datacasting services directly address the objectives of Broadcasting Services Act, that is:

”(a) to promote the availability to audiences throughout Australia of a diverse range of radio and television services offering entertainment, education and information; and

(aa) to promote the availability to audiences and users throughout Australia of a diverse range of datacasting services; and

n) to ensure the maintenance and, where possible, the development of diversity, including public, community and indigenous broadcasting, in the Australian broadcasting system in the transition to digital broadcasting.¹”

Datacasting encourages and accelerates Digital Television take-up and conversion

Only a free-to-air terrestrial television service will encourage and support the uptake of Digital TV and conversion from analogue. Mobile or Subscription services with proprietary systems will not achieve this objective.

¹ BROADCASTING SERVICES ACT 1992, SECT 3 (n)