

**NATIONAL INDIGENOUS TELEVISION LIMITED
RESPONSE TO DCITA DISCUSSION PAPER
DIGITAL CONVERSION OF SELF-HELP TELEVISION RETRANSMISSION SITES
DATED 26 JUNE 2007**

1. INTRODUCTION

Although NITV Limited is not a broadcaster in its own right, it is charged with developing a stream of programs which after initial broadcasting on the current second channel of Imparja is available for other platforms to use pursuant to retransmission under Section 212 of the Broadcasting Services Act or specific agreements with NITV Limited.

The NITV service is initially broadcast by Imparja as a TV open narrowcast on the Aurora satellite platform and is subsequently in part or full retransmitted at 147 self-help terrestrial retransmission sites established in the remote areas of Western Australia and the central and eastern zone. The service is also automatically available to the approximately 50,000 domestic homes which NITV believes have Aurora direct to home (DTH) reception facilities.

NITV Limited therefore has a significant interest in the way self-help television transmission facilities are converted to digital particularly in the regional areas of Western Australia and the remote areas and the way in which Part B of the Commercial Digital Conversion Scheme is finalised.

2. RELEVANCE OF PART B DIGITAL CONVERSION SCHEMES TO THE DCITA SELF-HELP DIGITAL CONVERSION PAPER

While not raised to any extent in the discussion paper, the way in which the Part B Digital Conversion Schemes for the remote areas are implemented by the ABC, SBS and WIN and Prime in regional and remote Western Australia and the ABC, SBS and Imparja and Southern Cross Broadcasting (SCB) in the remote central and eastern zone have significant implications for the way in which the self-help analog television transmission facilities are converted to digital in the areas relevant to the Part B schemes.

The digital terrestrial television distribution mechanisms for delivering digital terrestrial television services to broadcaster owned, operated or controlled digital terrestrial facilities in these areas could have a significant impact on the options available for the conversion of analog television self-help terrestrial transmission facilities and the current (and additions to the) Aurora DTH home universe.

The way in which the existing free to air broadcasters choose to deliver their digital terrestrial program streams to their own digital terrestrial transmission facilities could mean that these distribution feeds are not suitable for DTH reception of the same digital services.

In the past remote area broadcasters fed their analog television terrestrial transmitters in the same manner as they made their services available to the DTH audience.

As an example, the ABC used the same satellite capacity to feed all its analog terrestrial transmitters and make its services available to homes with Aurora DTH reception equipment. However, the method the ABC uses to provide its digital television program material to its digital terrestrial transmitters is unlikely to be able to be used to make those same services available to the DTH audience.

It seems likely that there may need to be separate satellite distribution streams for broadcasters to feed their digital terrestrial transmitters and make their services available to the DTH audience.

In turn NITV understands that any separate satellite distribution stream which may be used to make services available to the DTH audience may not lend themselves to allowing a full range of options for future self-help digital terrestrial transmitter arrangements to be considered.

Hence NITV Limited believes broadcasters should be required to take into account the most cost effective scenarios for converting analog terrestrial self-help sites to digital and any consequent equipment changes for the current, and additions to, the DTH audience, when making decisions in relation to Part B digital conversion implementation.

It seems possible that unless such coordination occurs, the options available for the self-help communities and DTH audience may be limited and significantly inflate the extent of Commonwealth financial assistance required.

3. INFORMATION ABOUT THE AUDIENCE, TV HOMES AND DOMESTIC TV EQUIPMENT IN REMOTE AREA SELF HELP COMMUNITIES AND DTH HOMES

3.1 *Current statistics*

NITV has noted the different figures that have been published by either DCITA or the ABA in the last four years concerning remote self-help community populations and DTH homes.

The relevant documents are the 17 July 2003, ABA discussion paper concerning free to air digitisation in the remote areas, the March 2006 RFT documentation for a consultancy let by DCITA concerning the same issue and the 26 June 2007 discussion paper itself.

The following table compares some of this disparate information for the regional and remote areas of Western Australia and the remote areas of the central and eastern zone.

STATISTICS COMPARISONS

Regional and Remote WA	Self-help communities	Population served	DTH equipment	DTH population
ABA July 2003	150	30,108	6,500	17,600
DCITA June 2007	171	60,000		

Remote C & E Zone	Self-help communities	Population served	DTH equipment	DTH population
ABA July 2003	292	124,500	10,000	33,200
DCITA June 2007	297	75,000		

	Total remote home DTH equipment
ABA July 2003	16,500
DCITA RFT March 2006	33,000
DCITA June 2007	71,000
Estimated Broadcaster database July 2007	43,000

Between the ABA discussion paper of July 2003 and the current DCITA discussion paper, despite there being an increase of 5 self-help television retransmission sites in the central and eastern zone, the apparent population served by them has dropped from 124,500 to 75,000 or by 49,500.

On the other hand an increase of 21 self-help retransmission sites in the west has resulted in a 100% increase in the estimated audience covered from around 30,000 to 60,000.

From talking to broadcasters regarding their databases of domestic homes current enabled with DTH facilities, NITV estimates that rather than 74,000 homes having individual DTH equipment the figure may be more like 43,000 for the remote areas and 7,200 for 'out of area' enabled domestic DTH facilities. NITV notes that some homes will have more than one smart card and decoder so smart card numbers and DTH home numbers will be different.

The above apparent discrepancies indicate to NITV that a survey needs to be carried out to determine the relevant populations covered by the various reception means.

3.2 *The number of TV homes and TV reception equipment in TV homes*

NITV believes it is the number of TV homes within self-help communities and not population which is most relevant to the exercise at hand. Further the number of analog tuner television devices in TV homes represents key information for estimating both total household expenditure in converting to digital and or any required Commonwealth subsidy.

Generally NITV believes that the population figures themselves, while interesting and helpful for analysing audience reach, are not as valuable to the analysis of self-help transmission site digital conversion options as the TV home and analog tuner TV device per TV home figures.

As an example some indigenous communities may have relatively high numbers of people per television home, and perhaps relatively low proportions of total homes within a community with television reception capability.

If say a community of 510 population has 3 people per home and only 75% of homes have any analog tuner TV devices, then the total cost of providing DTH reception facilities for that community (at, say, \$800 per DTH reception facility) is \$102,000.

If however a community with the same population has an average of 5 occupants per home and only 60% of the homes have any analog tuner TV devices, then the total cost to provide DTH facilities (at \$800 per DTH reception facility) which replicate current analog television reception is under \$50,000.

Further if one was attempting to estimate the domestic household cost impost, or the level of possible subsidy to each television home, to exactly replicate their current analog television reception and recording functionality in a digital environment, one would need figures for how many television sets, VCR recorders and DVD recorders existed in the average TV home.

Whether such homes were to be covered by digital terrestrial transmission signals or required new DTH reception facilities, each of these devices would need to be attached to a discrete DTH decoder or digital receiver in order for current television viewing and recording functionality to be maintained.

On the basis of the figures that NITV has seen in the referred to ABA and DCITA documents, it would be difficult for any proper analysis of the total cost of various digital conversion options to be properly assessed.

Most importantly, irrespective of whether 'TV Homes' or population is chosen as the appropriate metric for determining a "cut off" point below which the DTH option will be implemented, NITV notes with concern that remote communities where DTH is implemented will lose their ability to insert locally produced