

CONSORTIUM OF AUSTRALIAN MEDIA SERVICES INC Australia's leading community media representative body

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Digital Radio Multiplex Access - CAMS Comment

The Consortium of Australian Media Services (CAMS) welcomes calls from the ACCC to voice comment on the current issue of Digital Radio Multiplex in Australia.

CAMS has been monitoring and will continue to monitor technological progress in the distribution and take-up of Digital Broadcasting Services in Australia.

The Consortium would like to support submissions made by Australia's current peak body for community broadcasting licensees, the CBAA.

CAMS recognises the large amounts of capital that commercial (for profit) organisations are positioning into the industry. We feel that without this monetary input, the rollout of digital services will be delayed.

However, we do not believe that a long term Multiplex ownership scheme, dominated by commercial interests, will be in the interests of the Australian population.

In our opinion, Digital Radio will become the future technological major take-up of the sector and by the general population.

For this reason, and to maintain equilibrium between Community, Commercial and National services, we urge the ACCC to take into account the following information.

At the moment there are about:

- 351 fully licensed community radio services around Australia;
- About 60 temporary community licences;
- Approximately 274 commercial licences;
- There are also 245 licenced Open Narrowcast services and;
- Several Non Broadcasting Services Band and Data casting licences in operation.



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Generally, Community services operate at a lower power level than the National and Commercial services around the country. This is because of licence restrictions imposed on Community services.

Although power output may be limited for Community services, the quality of sound being broadcast has no restrictions and can match that of the National and Commercial services.

Digital Radio operates on both Power and Bandwidth, if the suggestion that changing bandwidth is approved, a new imposition on Community broadcasters may be forced upon them by limiting bandwidth, and overall sound quality.

If the plan for changing bandwidth and limiting it for Community services is passed, then it will disadvantage the whole community broadcasting sector, as this limitation did not exist before.

CAMS does not support the partition of Spectrum bandwidth between Commercial, Community and National Broadcasters. It automatically creates unfair restrictions, and anti-competitiveness.

The primary reason for Commercial services existence, is to generate profit for its owners and shareholders.

Community services exist to allow for access and equity, within all types of communities and;

National broadcasters represent the interests and goals of the Federal Government and National policy.

Of the three types of services, it is clear that the National and Community sector promote the interests of the society as a whole, where Commercial services promote profit only.

These three types of service create the equilibrium of broadcasting in Australia. Currently each type of industry sources their own transmission facilities, (by rent or ownership).

If commercial interests are allowed to create a monopoly over multiplex facilities, On top of the current monopoly over transmission sites held by Broadcast Australia, the equilibrium will fail, regardless of ACCC or ACMA policy.

CAMS is of the view that Multiplex licences should be maintained by each <u>industry</u> individually, eg: Commercial Sector operates its own Multiplex, Community and or National operate their own Multiplex.



realm of Digital Radio, at the hands of the ACCC.

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CAMS believes this is the only solution to maintain the current balance of power, and to prevent a monopoly effect within the broadcasting industry. A Monopoly effect could potentially lead to a "Public Broadcasting" company that is owned by the Commercial services but purports to represent the Community (similar to operations in the United States).

This would be the worst possible outcome, and detrimental to the foundations of Community

Broadcasting in Australia, which is viewed as an internationally unique establishment.

If the community sector is not permitted to independently operate their own services, (this includes the Digital Multiplex) the national community regime could face imminent collapse in the

Allowing and FORCING, separately run and operated Commercial, Community/National Multiplexes is our recommendation and the CAMS official solution.

This will instantly eliminate multiplex competition between Commercial and Community/National sectors of the industry which should not be competing for continuing their existing services in the first place.

CAMS believes the (Previous Government) Federal Government Legislative framework is flawed, and that it should **not allow** Commercial broadcasters and Community broadcasters to work together in creating companies, **or participating in a <u>profit making enterprise</u>**, (which is prohibited under the broadcasting services act) and is against the <u>spirit of the Act</u> and Community Radio.

Joint venture companies can only work if the companies are either totally Commercial (for profit – Commercial radio) or totally Community (non-for-profit – Community radio)

IF legislative framework imposed by the Federal Government prevents the ACCC from implementing our above recommendations, then we recommend the ACCC advise the Federal Government to postpone the rollout of the Digital radio Joint Venture scheme, in preference to independent Commercial Joint venture companies and Community / National (non profit) independent joint venture companies, which controls their own multiplexes, or suggest to ACMA to issue an alternate solution.

Kind Regards,

Joseph Safi

Chairman - CAMS

On behalf of the Members of CAMS and the future of Community Broadcasting in Australia.