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RE: Media Reform Green Paper: Modernising television regulation in Australia

ACCAN thanks the Department of Infrastructure, Transport, Regional Development and Communications for the opportunity to respond to its *Media Reform Green Paper: Modernising television regulation in Australia*.

ACCAN is Australia's peak communications consumer organisation representing consumers of communications products and services, including the internet and mobile telecommunications. As more products and services – including the media – have become accessible using online platforms, these now also fall within ACCAN's remit. Mobile phones and other telecommunications enabled devices, and reliable broadband internet and mobile telecommunications services, are now even more important to ensure all consumers can access digital media.

In responding to the reforms proposed in the Green Paper, ACCAN has consulted with consumer groups representing a wide range of interests to represent their concerns. These include the CALD and Indigenous communities, people with disabilities, seniors, and people living in regional, rural, and remote areas. In some cases, consumers belong to more than one of these groups – for example, seniors with disabilities, or Indigenous communities living in remote areas.

ACCAN recognises the need for the Government to reform Australia's television regulatory regime to respond to changes in the broadcasting landscape created by faster internet speeds and the rise of streaming platforms. Loss of advertising revenue and increased competition from subscription-based online platforms with no local content obligations means the free-to-air television business models established in a pre-internet era are no longer suitable.

ACCAN welcomes, in principle, additional financial and regulatory support for the local screen production sector to make more Australian television content available to consumers. We also appreciate the economic benefits that the proposed reforms would offer to commercial free-to-air broadcasters, in offsetting some of the costs which they currently carry in the face of declining advertising revenue.

However, it is also important that the Government remains focused on maximising inclusion of all Australians in its media reform proposals, to make local and national television services accessible and

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affordable for everyone. ACCAN has concerns about the negative consumer impacts which may result from some of the reform proposals in the Green Paper, which have the potential to disproportionately affect seniors, low-income households, people living in areas with poor internet and mobile telecommunications connectivity, and Indigenous and multicultural communities.

Reallocation of spectrum

The Green Paper proposes that Australian broadcasters and free-to-air television networks make a 'one-time transition' to a new broadcaster's licence with reduced tax and content quotas on multichannels. In exchange, those who take up the 'new licence' must agree to transmit content on reduced radiofrequency spectrum using digital compression technology and multiplex sharing.

Surplus spectrum freed up by compression technology and multiplexes could then be auctioned off to the telecommunications industry and proceeds used to fund a Create Australian Screen Trust (**CAST**) and Public Interest News Gathering Trust (**PING Trust**). The Green Paper suggests that freed up radiofrequency spectrum could also be re-allocated to wireless broadband and mobile communications services. A minimum of three free-to-air television networks in each market must agree to make the transition to enable enough spectrum to be available for auction and reallocation.

In principle, ACCAN would be supportive of a spectrum restack, and the reallocation of 'spare' spectrum on 5G networks to improve telecommunications in currently poorly served areas. However, we would oppose any reforms which reduced the quality or range of programming available. The Green Paper states that compressed spectrum technology could be used while "maintaining the range of services available to consumers", but also says the proposed changes to broadcasting technology would only offer "similar" levels of broadcasting quality and would limit the scope for any future improvement of television picture quality, or the launch of any new broadcasting services.

Consumers seek clarification about the impact of these changes on the quality of broadcasting available. Specifically, ACCAN is concerned that the adoption of more efficient compression standards and multiplex broadcasting, including the Government's proposed mandated ABC/SBS multiplex sharing arrangement, may result in either poorer broadcast quality or a reduced range of available services in some regions.

ACCAN would not support any reform that negatively affected the reliable broadcast of ABC Kids and NITV in regional areas, compromising the accessibility of cultural content to children and Indigenous people.

Low income

The Green Paper also recognises that 'less affluent' consumers will be faced with greater challenges in upgrading to new technology to access compressed spectrum broadcasting services. According to the Green Paper, if the proposed reforms were implemented, some household equipment and most broadcast transmission equipment would no longer be suitable for use. This would mean consumers would have to upgrade in-home technology at their own expense. There is also the possibility that upgrades of communications infrastructure would filter down to consumers in the form of higher service costs.

These new expenses would have a significant impact on the ability of low-income households, who will be less likely to afford costly upgrades to technology required to make the transition to compressed spectrum broadcasting services. If the proposed reforms were implemented, ACCAN would not like to see the costs associated with upgrading transmission equipment and technology being paid for directly by consumers. Upgrades to in-home technology should either be funded outright or significantly subsidised by the government to make it affordable and ensure the most vulnerable members of the community are not cut off from access to broadcast news and entertainment. This could be achieved in a similar way to the Governments provision of set-top boxes to low-income households during the digital television switchover.

Seniors

A key community that falls into the low-income category are seniors whose only income is government pension payments. Research has revealed that seniors are more dependent on free-to-air television than younger cohorts, watching five hours of free-to-air programming a day, compared to one hour watched daily by the 18 to 24 age group.

As the Green Paper acknowledges, seniors are also less likely to adopt alternatives to free-to-air television, such as subscription streaming services. Many seniors are more comfortable with traditional broadcast technology and may lack either the technical understanding or disposable income to adopt streaming services like Netflix. This group, for whom social isolation is already a public health problem, would therefore be disproportionately affected by any reform that made free-to-air services more inaccessible using their existing in-home technology.

ACCAN would not support the introduction of media reforms which reduced television access for low-income consumers and communities, including seniors, as this would effectively exclude them from the cultural life of the country.

Regional, rural and remote

Similarly, the Green Paper identifies viewers in regional and remote areas as being more likely to be disproportionately impacted by the loss of free-to-air television services. Non-metropolitan areas are most likely to have highly unreliable internet connectivity and mobile telecommunications services, making it harder for them to access reliable streaming services. Broadcast television therefore has greater importance for these communities, as it is one service they can consistently rely on for entertainment and news coverage.

ACCAN notes that the Green Paper states at least three broadcasters in each market would need to agree to broadcast on a multiplex for enough spectrum to be released for auction and reallocation to mobile telecommunications. It is not clear what might happen if fewer than three broadcasters in each market agreed to move to a multiplex. Presumably, the benefit for consumers of improved wireless broadband and mobile communications through reallocation of spectrum would be lost if only one or two broadcasters agreed to move to a multiplex.

ACCAN would oppose any move which would require consumers to upgrade to more expensive technology to access reduced spectrum broadcasting services, while failing to deliver the benefits of improved internet and mobile network connectivity. Such an outcome would particularly

disadvantage consumers in regional, and remote areas, many who already currently are desperately in need of improved internet and mobile telecommunications networks.

Ideally, the proposed reforms should stipulate that the transition to compressed spectrum will not take place if fewer than three broadcasters in each market agree to move to a multiplex and should guarantee that a certain proportion of spectrum will be reallocated for the purposes of improved mobile communications if three or more broadcasters in each market do agree to a multiplex.

Multicultural communities

As the Green Paper acknowledges, free-to-air broadcasting services play an important role in reflecting the diversity of Australian culture. SBS Television broadcasts news and programming in a wide range of languages, and National Indigenous Television (NITV) broadcasts programming produced largely by Indigenous Australians.

If the proposed reforms were implemented, older Australians for whom English is their second language may not be able to afford to upgrade to the new technology needed to receive compressed technology television services. Compromised access to the free-to-air programs made in languages other than English, such as those aired by SBS TV, would be socially isolating for the members of these Culturally and Linguistically Diverse (CALD) communities.

ACCAN would therefore oppose any reforms that have detrimental impact on access to free-to-air television unaffordable or inaccessible for multicultural communities.

Indigenous communities

A recent report by the Australian Digital Inclusion Index (ADII) found that one in four First Nations households do not have access to the internet. This is the case across country, not just in remote regions of Australia where mobile telecommunications services are poor. Indigenous Australians living in urban and regional areas also have relatively low digital inclusion, 7.9 points below the national average.

Affordability is a key issue for these communities, driven by a disproportionately high use of mobile-only and prepaid connectivity, which carries higher costs per gigabyte than fixed connections. This lower digital inclusion and lack of internet access means Indigenous communities are more dependent on free-to-air broadcast television for news and entertainment which, unlike streaming services, have no subscription costs and can be accessed on existing in-home technology.

Indigenous television content such as that made and broadcast by NITV has cultural importance in First Nations communities, connecting them to cultural storytelling and reinforcing community cohesion.

ACCAN would therefore oppose any reforms that made access to free-to-air television unaffordable for Indigenous consumers.

Disruption during transition to new broadcasting technology

The Green Paper notes that if the proposed reforms were approved and the necessary legislation passed, consumers could expect disruption to their services by 2025 at the latest. In the event the proposed spectrum reform is implemented, ACCAN would encourage Government to work with the broadcasting and telecommunications industries to minimise disruption for households during the

proposed transition to ensure continuity of service. This would be particularly crucial in regions prone to natural disasters, where freely accessible, regular updates are essential for preservation of life. Additionally, ACCAN would expect the Government to provide both technical and financial assistance to any consumer who needed assistance with retuning their receiver after the restack.

Reinvestment in local news

Many residents of regional, rural and remote areas mourn the loss of local newspapers and television networks in their regions. Currently, in areas where regional news outlets have been shut down, consumers have no access to local news and are experiencing “news poverty”. This is a particular issue in regions which are prone to natural disasters where readily accessible, timely local messaging saves lives.

In principle, ACCAN welcomes the proposal to reinvest revenue from the auction of freed up spectrum by establishing funds to support the Australian media and production sectors. However, we note that the government offers no guarantees in the Green Paper as to what proportion of the funds would be reinvested into regional news outlets.

Ideally, the proposed reforms should stipulate how much of the revenue acquired through spectrum auctions will be allocated to local news and Australian content production, to guarantee that the sale and reallocation of spectrum will deliver the promised benefits to regional media and the local screen production sector.

Consumers with Disability

ACCAN is concerned that the Green Paper proposes no provision for audio visual access features in its vision for a sustainable Australian free-to-air landscape. Australians with disability have long been denied full and equitable access to Australian television. Without any legislative mandate this lack of equity is being replicated in the growing amount of digital platform audio visual content available to Australian audiences.

Any reform focused on Modernising television regulation in Australia must include full and equitable access for all Australians, including those with disability. As such, ACCAN recommends that as a first step, both captioning and audio description be mandated for all programming delivered across all platforms – free-to-air, subscription television and VOD services.

ACCAN is cognisant of the increasingly difficult sustainability issues facing Australian free-to-air broadcasters and agrees that there is a need for reform. ACCAN also sees this reform process as an opportunity to improve the viewing experience for Australians with disability. For this reform to realize these opportunities there must be a holistic re-structure to the way Government, free-to-air broadcasters, and all VOD service providers address audio visual access features.

The Government’s role in this re-structure needs to include an updated *Broadcasting Services Act*. One which addresses content requirements equally across all delivery platforms. ACCAN recommends that the Act be amended to require the same levels of access features across all subscription and VOD services as those for commercial free-to-air and National broadcasters.

While the accessibility of television in Australia has a contested history resulting in limited progress for people with disability, ACCAN sees this reform as an opportunity to remediate these problems. There are a range of issues which have been at the heart of these difficulties and there are opportunities included in the Green Paper’s proposal which ACCAN believes provide a way forward. For example, the cost to provide increased captioned programming and the introduction of audio description has been a strong argument against access features from broadcasters.

ACCAN recommends that a third 'Trust' be established from the proceeds of the proposed digital dividend resulting from the sale of freed up spectrum. This Trust would be used to fund captioning and audio description across all programming delivered by free-to-air broadcasters across both their terrestrial platform and their online catch-up services.

Another of the historical difficulties confounding increased access features has been the limited spectrum available to broadcasters. If the Green Paper's proposal to transition free-to-air broadcasters to a multiplex transition platform is successful there will need to be adoption of more effective compression standards. Without a more efficient transmission compression platform it is unlikely there will be opportunities for broadcasters to incorporate additional access features.

To ameliorate this 'bottle neck', ACCAN recommends that the Government fund the transition to more efficient compression technologies with the proceeds realized from the digital dividend. Additionally, any cost for consumers to upgrade receivers suitable for this new transmission standard must also be funded from the proceeds derived from the sale of spectrum.

A Consumer Voice on Media Reform

There is an expectation from consumers, industry, and government for appropriate representation on all communications issues that have a consumer impact. Consumers need a representative voice in the broadcast policy arena with the capability and willingness to engage, consult and inform both 'supply' and 'demand' stakeholders about consumer issues.

With the diversification of services and platforms, media consumption is now a complex communications marketplace, and it is important that balance is brought to the policy debates and discussions to ensure that any issues that could undermine consumer confidence can be identified and addressed. It is the role of a trusted, well informed consumer representative voice to identify potential or existing problems and propose solutions.

Stakeholders - including the public, the media, the government and industry - rely on consumer representatives to champion the interests of communications consumers, small businesses and media providers. Consumer representatives work constructively with industry and government to raise awareness of, address and overcome barriers to digital inclusion. A mechanism to achieve this needs to be established and properly resourced.

In the past this gap has been addressed on a case-by-case basis, when ACCAN has been invited by government and the telecommunications industry to consult on specific policy issues. Both industry and government recognise the benefit of understanding consumer perspectives in the ongoing policy reform process. For example, at the Government's request, ACCAN undertook consumer consultation and representation with the Digital Television Switchover and the consumer education campaign. ACCAN's involvement in the transition ensured government and industry considered consumer interests as a vital part of the successful transition from analogue to digital TV services.

ACCAN's model is unique, with members comprising a valuable network of public interest, community sector and consumer groups both nationally and internationally. This diversity of membership facilitates informed engagement on an extensive range of consumer issues representing a broad spectrum of consumer groups. Issues can be raised directly with decision makers who can address concerns swiftly to fix problems before they become widespread. Many of ACCAN's members also benefit from having an independent body who can explain complex technical and regulatory issues to them and how these might impact on their communities.

There is clearly a role for a representative body like ACCAN with the ability to consult widely with the Australian community, and to engage with government and industry on media reform issues. This applies not only to the current Green Paper, but also other future reform of broadcasting and narrowcasting in Australia. For this reason, ACCAN recommends that in the discussions about public interest matters, funding and resources for a consumer representative should be considered.

In Summary

ACCAN, in principle, sees the Green Paper's proposed reforms of the Australian television landscape as a necessary next step in ensuring that our free-to-air broadcasters continue to provide essential news, information and entertainment to Australian audiences. It is also clear to ACCAN that there needs to be a well-funded and independent consumer body at the centre of these reforms to ensure that Australian television consumers are not disadvantaged.

The Green Paper proposals will potentially provide a 'multibillion dollar digital dividend'. ACCAN recommends that this windfall be used to:

- adequately fund independent consumer representation for broadcast and digital platforms,
- repair the shortcomings of previous broadcast policy by providing a level legislative landscape for both terrestrial and online audio-visual content providers,
- ensure that all Australians have equitable access to the benefits and enjoyment of free-to-air television and VOD services,
- adequately fund access features, captioning and audio description, across all free-to-air broadcast and catch-up programming,
- ensure that any new free-to-air transmission mechanism does not result in lesser quality and choice of programming for Australian consumers, and
- ensure consumers are not financially disadvantaged by these reforms - with Government funding made available to upgrade to compatible receiver equipment and retune after the spectrum restack.

Sincerely

Teresa Corbin

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