Australian Government

Department of Broadband, Communications and the Digital Economy

Shire Of Denmark
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15 DEC 2011
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COUNCILLORS	
CEO	
DIR of FINANCE	✓
DIR of PLANNING	
DIR of INFRASTRUCTURE	
DIR of COMMUNITY	
OTHER	

Mr Dale Stewart
CEO
Shire of Denmark
PO Box 183
DENMARK WA 6333

Gary
report for
Council
Dale 15/12

Dear Mr Stewart,

Digital television for communities served by self-help retransmission towers in the Regional and Remote Western Australia Switchover Area

I would like to update you about the 'self-help' retransmission towers operated by Shire of Denmark, which currently provides analog television services to households in the Denmark and Peaceful Bay area.

On 30 March 2010, the Minister for Broadband, Communications and the Digital Economy, Senator the Hon Stephen Conroy, wrote to all licensees of self-help towers outlining important information about the introduction of digital television broadcasting in Australia and the future of self-help towers.

This letter provides updated information about the future of your self-help retransmission towers. Please advise us if you are no longer operating these towers.

This letter also includes information about the new Australian Government-funded digital Viewer Access Satellite Television (VAST) service and the Government's Satellite Subsidy Scheme.

Importantly, this letter requires you to advise us by **15 February 2012** whether you intend to opt-in to the Satellite Subsidy Scheme to ensure that assistance under the Scheme can be provided to your communities, or whether you are proposing to upgrade your self-help retransmission tower to digital yourself. These options are discussed in more detail later in this letter.

Self-help retransmission towers in regional and remote Western Australia

As you will be aware, all television towers in regional and remote Western Australia are scheduled to cease broadcasting in analog in the second half of 2013. The actual switchover date has yet to be determined.

As the Minister advised in his letter of 30 March 2010, broadcasters have decided that they will not convert any existing analog self-help retransmission towers in remote Australia to digital, including those in regional and remote Western Australia. It is important that you are aware that tower upgrades are being carried out by the commercial broadcasters, and consequently the choice of towers to be upgraded is a

Attachment 8.4.1

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matter for the broadcasters to determine. Tower upgrades are not being funded by the Government.

To ensure that people living in remote Australia who are not served by broadcaster operated terrestrial transmitters are able to receive the same number of digital television services as people in metropolitan areas, the Government has funded the VAST service. The Western VAST service is provided by a joint venture company owned by the two commercial television licensees in regional and remote Western Australia, WIN Television WA Pty Ltd and Golden West Network Pty Ltd.

Households in areas currently served by analog self-help retransmission towers that are not being upgraded to digital, and who are not able to receive digital television services from another terrestrial transmitter in their local area, will need to move to the VAST service to receive digital television services. These households will also be eligible to receive assistance to move to the VAST service under the Government's Satellite Subsidy Scheme. More information about the Western VAST service and the Satellite Subsidy Scheme is provided below.

The Australian Government's recommended option for households served by self-help towers that are not being upgraded by the commercial broadcasters is to move to the VAST service. However, it is open to self-help licensees whose towers are not being upgraded to upgrade their self-help towers themselves. This option is discussed later in this letter.

Note that any upgrades of self-help towers by licensees themselves must be undertaken at their own cost. There is no capacity for the Australian Government to provide funding for either the upgrade of the tower or costs associated with the ongoing operation and maintenance of the upgraded towers.

You will need to make a decision by early 2012 about whether you intend to switch off your analog tower, in which case the community served by the tower will move to the VAST service, or convert your tower to digital yourself.

The Satellite Subsidy Scheme will be offered to eligible households in the area served by your self-help tower from early in the second half of 2012, unless you confirm that you intend to make your own arrangements to upgrade your tower. Details of the assistance provided under the Satellite Subsidy Scheme, including information about how to apply, will be made available to potentially eligible households when the Scheme opens.

The Digital Switchover Taskforce (Taskforce) will make contact with you prior to the commencement of the Scheme to confirm your participation, discuss the roll-out and answer any questions that you may have.

Satellite Subsidy Scheme

Under the Satellite Subsidy Scheme, eligible households will receive an installation, subsidised by the Government, of equipment that enables them to receive the VAST service. The installation will include a satellite dish, a VAST set top box and

associated cabling. VAST installations will be carried out by an experienced installer engaged by the service contractor.

Households registered for installation must make a pre-determined financial contribution on the day of installation. The remainder of the installation costs will be paid for by the Government.

The household financial contribution is expected to be between $200 and $350. The contribution amount will not be determined until the installation contract for regional and remote Western Australia has been finalised by the Department around mid-2012, and will be communicated before applications to participate in the Scheme open. Tenants who apply for the Satellite Subsidy Scheme must confirm that they have their landlord's permission for the installation.

The VAST service

The VAST service features the same 16 digital free-to-air channels that are broadcast terrestrially in regional and remote Western Australia licence areas. These channels are:

ABC1	SBS One	WIN Television	Prime (GWN)	West Digital
ABC2	SBS Two	GO!	7TWO	ELEVEN
ABC3	SBS HD	GEM	7mate	ONE
ABC News 24				

The VAST service has the following features:

- high definition (HD) widescreen format, with high quality sound
- a closed captioning service, which provides captions for all news and current affairs programs and programs transmitted between 6.00pm and 10.30pm
- an electronic program guide (EPG) which lists all programs to be broadcast, seven days in advance
- a parental lock based on the program classification which allows parents to block viewing of programs.

Once the VAST service is installed, there are no ongoing costs for households. The VAST service also allows for the introduction of new broadcasting technology as new digital television standards are implemented, without households having to do anything.

Household Assistance Scheme

Some people in areas currently served by self-help retransmission towers will be eligible for assistance under the Government's Household Assistance Scheme. Note

that a person may not receive assistance under both the Household Assistance Scheme and the Satellite Subsidy Scheme.

The Household Assistance Scheme will, at no cost to eligible households, supply, install and demonstrate a HD set-top box specifically chosen to meet the needs of the elderly and people with a disability. If a person cannot access a digital terrestrial television signal, they will receive a VAST installation under the Scheme.

A person may be eligible for assistance under the Household Assistance Scheme if they live in a switchover area due to switch to digital, own a functioning television, do not already have access to digital television on any of the televisions they own, and they receive the maximum rate of one of the following payments:

- Age Pension
- Disability Support Pension
- Carer Payment
- Department of Veterans' Affairs (DVA) service pension
- DVA income support supplement payment.

Eligible customers for the Scheme will receive a letter from Centrelink inviting them to participate in the Scheme early in the second half of 2012.

Conversion of self-help sites by licensees

You will need to advise the Taskforce by **15 February 2012** whether you will be switching off your analog transmitter towers. If you do, households in the area now served by these towers will move to the VAST service and will be eligible for assistance under the Satellite Subsidy Scheme.

As noted earlier, it is open to self-help licensees to convert their self-help towers from analog to digital themselves. Licensees who choose this option will need to apply for a digital broadcasting licence to retransmit their services from the Australian Communications and Media Authority (ACMA). The decision to approve a license request is a matter for the ACMA and will depend on a wide range of technical and regulatory considerations.

If you inform the Taskforce that you are pursuing this option, households that currently receive their television service from these towers will not be eligible for assistance under the Satellite Subsidy Scheme. Note that this is the case even if they later find that they are not able to receive adequate digital reception from the upgraded towers.

The Government is committed to ensuring that all viewers throughout Australia are able to access the same number of free-to-air television services, together with the additional features enabled by digital television transmission.

It is the firm view of the Government that a self-help licensee who chooses to upgrade their tower(s) to digital and retransmit the VAST service must ensure that the viewing experience for households is substantially similar to that of households receiving broadcaster-provided terrestrial digital television services.

In October 2010, the ACMA released a Consultation Paper titled 'Proposed guidelines for digital retransmission services by self-help providers' which sets out proposed requirements for self-help licensees intending to upgrade their self-help sites themselves. A copy of the ACMA's Consultation Paper is available from the ACMA's website at: **http://www.acma.gov.au/WEB/STANDARD/pc=PC_410196**

Self-help licensees considering self-converting their towers should take the ACMA's guidelines into account before committing to any arrangements to convert their towers to digital.

It is the Government's view that digital retransmission towers are unlikely to represent a viable, long-term option for remote communities. This is because digital retransmission can impose significant and unpredictable costs for licensees and the community.

Digital terrestrial retransmission will require an ongoing commitment to funding for the operation and maintenance of towers, and may also be subject to additional costs. These could relate to:

- Challenges in implementing any new digital television transmission standards as they roll-out nationally, including MPEG-4 and DBV-T2
- Challenges in implementing new retransmission technology, where transmission feeds are sourced from the VAST service
- Capital replacement costs and difficulties in sourcing and installing retransmission hardware and software, in the future, for Australian markets
- On-call costs for qualified DVB-T technicians.

Licensees choosing to upgrade their towers themselves will also be responsible for meeting all costs associated with clearing digital television services from any digital dividend spectrum used to provide these services. The digital dividend is the spectrum that will be freed up following the switchover from analog to digital television.

As noted earlier, if a licensee elects to convert a self-help tower to digital, no financial assistance will be provided by the Government toward the upgrade and ongoing maintenance of the self-help tower.

The Government will continue to work with self-help licensees who choose to upgrade their towers themselves on the timing for digital conversion of the tower and to provide information to the local community to ensure that, as far as possible, no household is left without digital television after the switchover.

Delivery of the assistance schemes is only possible if the Taskforce is given sufficient notice of the timetable for switchover, and is updated regularly on the timing and technical details for the conversion of the self-help tower.

Next steps

As above, please advise the Taskforce if you are no longer operating these self-help towers.

By **15 February 2012** you must also advise the Taskforce that you are intending to switch off your self-help towers and opt-in to the Satellite Subsidy Scheme.

Please also advise the Taskforce of the number of households currently served by your self-help retransmission towers. It would be helpful if you could provide us with names and contact details of local community groups and publications which the Taskforce could use to contact eligible households.

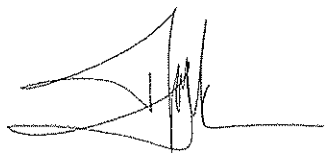
Please send your responses by email to **switchover_subsidy@dbcde.gov.au**

More information about the Satellite Subsidy Scheme, the VAST service and the Household Assistance Scheme is available on the Digital Ready website at **www.digitalready.gov.au**

Representatives of the Taskforce will contact self-help licensees shortly to discuss the issues raised in this letter, and will be in touch with you throughout January to ensure that any questions you have are answered and that Shire of Denmark has the information it needs to make a decision if it is considering converting its tower itself.

If you have any questions about self-help retransmission towers in regional and remote Western Australia, please contact Luke Ryan on 02 8023 3756. You may also send email enquiries to the Taskforce at **switchover_subsidy@dbcde.gov.au**

Yours sincerely



Nerida O'Loughlin
Executive Director
Digital Switchover Taskforce

9 December 2011