Committee Secretary
Standing Committee on Communications, Information Technology and the Arts
House of Representatives
Parliament House
Canberra ACT 2600
AUSTRALIA

## "Digital Television - Who's Buying it?"

The Australian public and industry is in no way ready to have any analogue services terminated by 2008.

Whilst there are a multitude of technical reasons that could be supplied in the context of this enquiry, I believe that the issues that surround the limited take up of digital television in Australia can be summed up simply:

• A limited range of televisions, 5 years after the launch of digital television, have inbuilt digital decoders. As Australia has chosen to adopt a standard that is different from the United States and different to Europe as well, manufacturers are left to develop product lines for a limited Australian market (compared to the European and United States markets).

**Solution**: Provide incentives for manufacturers to develop and retail technology that conforms to our Digital Television standard, through taxation incentives on sale, manufacturing and importation of such technology that meets these standards in Australia.

 VCR and DVD-R technology does not exist for consumers to time-shift digital broadcast shows (only analogue tuners are fitted to these devices). Time shifting of shows is limited to specific set-top boxes, and consumers do not want the inconvenience of disconnecting their set top box to watch the time-shifted program in another room, or at a friend's house for example.

**Solution**: Provide incentives for manufacturers to develop and retail technology that conforms to our Digital Television standard through taxation incentives on sale and importation of such technology in Australia.

There are obvious issues with our responsibilities to the United States of America
with the signing of the Free Trade Agreement in terms of content protection and
adoption of mechanisms to inhibit recording of off the air television programs (ie.
Broadcast flags). This discourages the manufacture of devices that support timeshifting of digitally broadcast programs.

**Solution**: Ensure legislation is enacted to ensure that consumers have full rights to time shift programs, and not have this right determined by a broadcaster.

 The pay television industry has made reasonable steps to offer digital broadcasting through its cable network, however there have been no incentives to provide Free To Air content through their satellite network due to the fees involved in re-broadcasting Free To Air content.

**Solution**: Provide funding, incentives or legislation to allow all pay television providers to re-transmit Free To Air content via the cable or satellite network to all areas of Australia without financial penalty. This would ensure that rural Australia in particular, could then technically receive digital broadcast material from Free to Air providers, without having to wait for their local transmitter to be upgraded.

• Digital television does not offer enough additional programming or content to provide incentive for consumers to upgrade.

**Solution**: Encourage broadcasters to utilise their licenced spectrum with additional channels, rather than restricting the use of this bandwidth because of their responsibilities for HDTV programming.

• The take up of programming and broadcast of shows in widescreen has been slow.

**Solution**: Advise industry to ensure that all locally produced content is mandatorily broadcast in widescreen as part of the conditions of their broadcast licence.

Thank you for the opportunity to make this submission.

Steve Ulrich

28 March 2005