



**SUBMISSION TO THE SENATE ENVIRONMENT, COMMUNICATIONS,  
INFORMATION TECHNOLOGY AND THE ARTS COMMITTEE INQUIRY INTO THE  
BROADCASTING SERVICES AMENDMENT (MEDIA OWNERSHIP) BILL 2006 AND  
RELATED BILLS**

**SPECIAL BROADCASTING SERVICE CORPORATION  
SEPTEMBER 2006**

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SBS welcomes the opportunity to provide a submission to the Senate Environment, Communications, Information Technology and the Arts Committee inquiry into the Broadcasting Services Amendment (Media Ownership) Bill 2006 and related bills.

The Special Broadcasting Service Corporation is established under the *Special Broadcasting Service Act 1991*, with a Charter to provide multilingual and multicultural radio and television services that inform, educate and entertain all Australians, and, in doing so, reflect Australia's multicultural society. SBS broadcasts nationally one analogue and six digital television services (including two SBS radio services). It also broadcasts on two frequencies in Sydney, Melbourne and Wollongong (and soon to Canberra) and on one frequency to the other state and territory capital cities and some regional centres. SBS also provides online services at [www.sbs.com.au](http://www.sbs.com.au).

Since the start of digital broadcasting in 2001, SBS has been actively working to use digital technology to better meet its Charter obligations and to promote digital television and new services to Australian audiences. SBS's multichannels, the *World News Channel* and *SBS Essential*, have operated since 2002 as platforms for experimentation and development of new services. They have benefited both Australian audiences and the broadcasting industry. SBS is currently investing in upgrading all parts of its operations with the goal of becoming a fully integrated, digital media broadcaster.

**Removal of the genre restrictions on multichannelling by national broadcasters**

SBS supports the removal of the genre restrictions on national broadcaster multichannelling defined in clause 5A of Schedule 4 to the *Broadcasting Services Act (1992)*. SBS has previously argued that new content rather than improved picture quality will be the key driver of digital uptake. There are numerous examples where the introduction of additional digital channels have driven sales in digital television reception equipment.

Removal of the genre restrictions on national broadcaster multichannelling will significantly expand the range of programs that could be available on any future SBS digital multichannel. SBS has developed plans for an exciting new digital multichannel service that would focus on the provision of one full-service multichannel in addition to its main channel analogue and digital services. This proposed new channel includes a significant amount of new and original Australian news, drama and entertainment programs.

The multichannel service would use the full potential of digital spectrum (allocated by the Government to SBS) to give greater delivery to its statutory charter to provide multilingual and multicultural services to all Australians. However, the introduction of the service and the range of programs it can provide will be subject to the provision of adequate funding.

## **High Definition Television (HDTV)**

### *Removal of the simulcast requirement for HDTV*

SBS supports the Schedule 2 amendments for the removal of the HDTV simulcast requirement. In previous submissions, SBS has acknowledged that high definition television has a role to play in digital conversion and has supported the HDTV quota arrangements. However, SBS has also argued for increased flexibility in the regulatory arrangements for HDTV<sup>1</sup> to enable broadcasters to provide programming that best suits audiences' needs.

Removal of the simulcast requirements would enable the HD service to be differentiated from the SD service if desired.

### *Removal of HDTV quotas*

SBS agrees that it is appropriate to remove the HDTV quota requirements at the end of simulcast period. Certainly, by the proposed switchover period, the adoption of HDTV will be sufficiently advanced (both in production and at the consumer end) to make continued regulatory control unwarranted. There is general acknowledgement within the industry that an increase in the volume and quantity of HD programming will increase and that the need for a quota system will no longer be necessary.

Removal of the HDTV quotas will allow broadcasters the flexibility to broadcast HD content that best meets the needs of their audience. It will also allow broadcasters more flexibility to better utilise current spectrum and free up capacity for the delivery of other digital services.

## **Anti-Siphoning**

SBS has previously expressed its support for the anti-siphoning/anti-hoarding regime. The policy objective behind the anti-siphoning list is still valid, if not more so, in an increasingly competitive market. This will place increased pressure on public broadcasters to compete for broadcast content, particularly sport. Access to premium sport content by free-to-air broadcasters in a deregulated environment will be difficult given the well-known practice of pay TV providers to use exclusive coverage of sports programming to drive subscriptions.

Access to sport is considered essential to Australian free-to-air audiences. This is regardless of the form of delivery of content, either analogue or digital. Australians should continue to be entitled to view, for free, events of national interest and significance. For the same reasons, the rules covering sport should incorporate flexibility to take advantage of the benefit of multichannelling capacity - for example, where multiple matches in the same event are happening simultaneously.

### *Restrictions on televising anti-siphoning events on multichannels*

SBS does not support the amendment contained in Item 18 of Schedule 1 prohibiting coverage of sports listed on the anti-siphoning list on its multichannel service unless they have already been shown, or are simultaneously shown, on its main channel service.

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<sup>1</sup> SBS submission to the DCITA *Review into High Definition Television Quota Arrangements (2005)*.

Where events on the anti-siphoning list involve multiple matches or rounds, or where events occur simultaneously (such as the Olympics) it would be beneficial to free-to-air audiences for part, or parts, of the event, match or round to be broadcast on a digital multichannel. This would extend the free-to-coverage of the event.

In some cases, coverage of a listed event, or part of the event, on a national broadcaster digital multichannel may provide coverage of an event that would otherwise not occur. This may arise where coverage of the event, either live or delayed, would be detrimental to the broadcast schedule on the main channel. Coverage of the event on a digital multichannel, without the requirement for simultaneous main channel coverage, would provide an alternative viewing option and extend coverage for free-to-air audiences.

This would ensure that the anti-siphoning legislation continues to maximize public social benefit by enabling events, which may otherwise not be broadcast, to be available free-to-air.

The requirement that the event be simulcast also removes SBS's program stream flexibility during these events by unnecessarily tying up bandwidth with simulcast content when it could be better utilised providing complementary or other programming.

**Special Broadcasting Service Corporation  
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